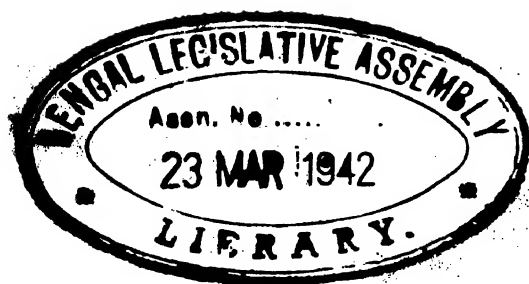




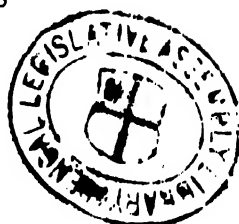
A SURVEY OF THE
SOCIAL STRUCTURE
OF ENGLAND & WALES



A SURVEY OF THE SOCIAL STRUCTURE OF ENGLAND & WALES

AS ILLUSTRATED BY STATISTICS

BY
A. M. CARR-SAUNDERS
AND
D. CARADOG JONES



SECOND EDITION



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PREFACE TO THE SECOND EDITION

THE first edition of this book was published ten years ago. In many chapters use was made of figures taken from the census of 1921, and the original date of publication was determined by the fact that the final volume of the census had recently become available. We now have at our disposal the results of the census of 1931, and it therefore seems an appropriate moment to revise a book which has apparently been found to meet a need. We have followed the same scheme and have retained the same number of chapters with the original chapter headings. We have allowed the former Introduction to stand, as it describes the plan of the book, which remains unchanged. But we have not merely brought the figures up to date in the chapters which follow; we have also thoroughly revised and largely rewritten the text. In one respect the scope of the book may be said to have been enlarged. The object of the first edition was to describe the conditions then prevailing. While the chief aim of the present edition is to describe conditions as they are (or as they were on the most recent dates for which figures were available), we have, wherever it seemed illuminating to do so, instituted comparisons with the figures of ten years ago.

We desire to acknowledge the valuable help given to us by a former student of the Department, Mr. W. A. Evans, who has checked the figures in both text and tables and verified the references throughout; we wish also to thank Miss N. L. Hume, who has expended much time and care upon the preparation of the material for the press.

A.M.C-S.
D.C.J.

CONTENTS

LIST OF TABLES	xi
--------------------------	----

INTRODUCTION	xv
------------------------	----

I. POPULATION: AGE, SEX, MARRIAGE	I
---	---

Population of Great Britain: Sex ratio and its relation to age: Age distribution and recent changes: Marital condition of the population: Number of households: Size of families.

II. POPULATION: HOUSING	13
-----------------------------------	----

Housing data in the Census, terms used and results disclosed: Number of buildings of different types: Number of families sharing a dwelling: Overcrowding as measured by rooms per family and per person: Urban and rural conditions compared: Conditions in Scotland: The Housing Act of 1935: Result of the Overcrowding Survey: The housing shortage and recent progress in building.

III. POPULATION: DISTRIBUTION	25
---	----

Urban and rural population: Areas classified according to density of population: Regional distribution of the population: The chief industrial regions: The problem of regionalism.

IV. POPULATION: CLASSIFICATION BY INDUSTRY	33
--	----

Distinction between classification by industry and by occupation: Different methods of classification: Numbers engaged in various industries: Analysis of extractive and manufacturing industries: Growth and decay of industries: Changes in the geographical distribution of insured persons: Industries classified according to predominating age and sex of employees.

V. POPULATION: CLASSIFICATION BY OCCUPATION	47
---	----

Numbers engaged in various occupations: Proportion of skilled and unskilled in manufacturing and mining industries: Analysis of persons engaged in commerce and finance according to function: Numbers engaged in retail dealing: Numbers engaged in central and local government service: Occupations classified by intellectual requirements: The unoccupied and the 'idle rich'.

VI. INDUSTRIAL STATUS AND SOCIAL CLASS.	59
---	----

The population classified according to industrial status: Proportion of wage-earners, salaried workers, and others: Ratio of operatives to managers in certain regions and industries: Professional occupations classified by sex and by degree of skill: Are class distinctions real?

VII. OCCUPATIONAL ASSOCIATIONS	68
Definition of an occupational association: Development of trade unionism: Membership according to sex, locality, and industry: Distinction between unions and federations: Professional associations.	
VIII. OTHER ASSOCIATIONS	77
Religious organizations: Political and other associations: Registered clubs.	
IX. THE NATIONAL INCOME	84
Definition of the national income: Method and results of estimate by Bowley and Stamp: Colin Clark's method and results: Change in national income between 1924 and 1935: Increase in real income per head: Distribution of income between wages, salaries, rents, and profits: The share taken by the very rich: Improvement in position of wage-earners: Incomes assessed to super-tax or sur-tax: Effect of an equal distribution of the national income: How the national income is spent: Improvement since 1800.	
X. THE NATIONAL WEALTH	102
Definition of the national wealth: Method and results of estimate by Stamp: Amount of wealth of different kinds: How it was distributed in 1919: Method and results of later estimate by Daniels and Campion: Reduction in inequality of wealth: Holdings in certain forms of capital.	
XI. EDUCATION	112
Proportion of the population at various ages attending schools and colleges: Numbers attending schools of different types: Proportion of pupils passing from elementary schools to secondary schools: How far they are assisted: Proportion proceeding to universities: How far they are assisted: Part-time and continued education: Adult education.	
XII. ENTRANCE INTO OCCUPATIONS	127
Number annually seeking employment: The types of occupation open to them: Organizations designed to assist them: Number of boys and girls in different industries: Skilled work and apprenticeship: Unemployment among juveniles: Tendency to enter father's trade: Rise and fall in the social scale.	
XIII. STATE PROVISION AGAINST MISFORTUNE	137
Maternity and Child Welfare schemes: Medical inspection and treatment of school-children: Free milk and school meals: Insurance against ill health, widowhood, orphanhood, and old age: Unemployment insurance: Inquiry as to employability of unemployed persons: Time lost on account of sickness, unemployment, and trade disputes: Non-contributory pensions for the aged.	

XIV. COMPULSORY TRANSFER FROM RICH TO POOR	147
Cost of public social services: Income tax paid on incomes of different amounts: Indirect taxation: Effect of social services on the economic position of the wage-earner.	
XV. VOLUNTARY PROVISION AGAINST MISFORTUNE	155
Estimate of various accumulated savings of wage-earners: Industrial Assurance: Collecting Societies and other associations registered under the Friendly Societies Acts.	
XVI. VOLUNTARY TRANSFER FROM RICH TO POOR	163
The problem of charity: Absence of data: Registered charities: Voluntary hospitals: Street collections.	
XVII. POVERTY	168
The investigations of Charles Booth in London and of Rowntree in York: Results of Bowley's inquiries as to pre- and post-war poverty: Methods of measuring poverty used in the New London Survey: London results compared with those of Merseyside and Southampton: The 'poverty line' and 'human needs' standards compared: The legal poor: Form of relief and reported causes of relief.	
XVIII. CRIME	185
Indictable offences tried and known to the police: Recent changes in amount and type of crime: Murders: Non-indictable offences: Drunkenness and offences by motorists: Treatment of those convicted: Civil judicial statistics: Sex of criminals: Is there a criminal type? Investigations of Burt and Goring.	
XIX. INBORN QUALITIES	198
Distribution of intelligence among school-children: The proportion of the population who are mentally defective: Estimate of number of dull and backward school-children: Local incidence of mental defect: Relation between fathers' occupations and childrens' intelligence: The continuous process of selection in society.	
XX. THE RECRUITMENT OF THE POPULATION	211
Change in the rate of growth of population: Effect of births, deaths, and migration: Causes of decline in birth-rate: Causes of decline in death-rate: Present unusual age-distribution: Its influence on future population: Estimates of future population: Comparison of birth-rates in different occupational grades: Birth-rates in different localities: Fertility of the mentally defective and the criminal class: Consequences of these differences.	
APPENDIX	227

LIST OF TABLES

i. Census population: Great Britain, 1881 to 1931	1
ii. Estimated post-census population: Great Britain, 1932 to 1935	2
iii. Sex ratio: females to 1,000 males: England and Wales, 1921 and 1931	4
iv. Number and proportion of persons under and over 15 years of age: Great Britain, 1891 to 1931	5
v. Distribution of males according to age: Great Britain, 1891 to 1931	5
vi. Distribution of males by age and locality: England and Wales, 1931	7
vii. Marital condition of the population: England and Wales, 1921 and 1931	8
viii. Single, married, and widowed of age 15 and over: England and Wales, 1901 to 1931	10
ix. Private families classified by size: England and Wales, 1921 and 1931	12
x. Population in private families and in institutions, &c.: England and Wales, 1931	14
xi. Dwellings occupied by private families: England and Wales, 1921 and 1931	15
xii. Distribution of families and persons according to rooms occupied: England and Wales, 1931	17
xiii. Private family population in relation to rooms occupied: England and Wales, 1931	17
xiv. Houses and population in relation to rooms: Scotland, 1931	19
xv. Change in number of dwellings and private families: England and Wales, 1911 to 1931	24
xvi. Urbanization: England and Wales, 1931	27
xvii. Occupational type of the chief industrial regions: England and Wales, 1931	29
xviii. Regional division of England and Wales 31 and 32	
xix. Industrial distribution of the population: England and Wales, 1921 and 1931	36
xx. Extractive and manufacturing industries: England and Wales, 1921 and 1931	39

xxi. Change in numbers of insured persons in employment: June 1927 to June 1935	43
xxii. Industries in which males predominate: England and Wales, 1931	44
xxiii. Industries in which females predominate: England and Wales, 1931	44
xxiv. Occupational distribution of the population: England and Wales, 1921 and 1931	48
xxv. Division of workers into directing and subordinate staff: England and Wales, 1931	51
xxvi. Commercial, finance, insurance, and clerical occupations: England and Wales, 1931	52
xxvii. Numbers engaged in various retail establishments: Eng- land and Wales, 1931	53
xxviii. Government service: England and Wales, 1931	53
xxix. Detailed analysis of persons employed in Government ser- vice: England and Wales, 1931	55
xxx. Number of persons engaged in public administration: Eng- land and Wales, 1931	55
xxxi. Occupations of adult males classified according to intellec- tual requirements	56
xxxii. Persons classed in the census as retired or not gainfully oc- cupied: England and Wales, 1931	57
xxxiii. Industrial status of the occupied population: England and Wales, 1931	59
xxxiv. Distribution of the occupied population: Great Britain and Northern Ireland, 1924	60
xxxv. Ratio of operatives to managers in different localities: Eng- land and Wales, 1931	62
xxxvi. Ratio of operatives to managers engaged in wholesale deal- ing, differentiated according to locality: England and Wales, 1931	63
xxxvii. Professional occupations: England and Wales, 1921 and 1931	64
xxxviii. Professional occupations classed according to skill: England and Wales, 1931	65
xxxix. Trade Union membership in different industries: Great Britain and Northern Ireland, 1935	73
xl. Membership of religious organizations	78
xli. Registered clubs: England and Wales, 1930	82

LIST OF TABLES

xiii

XLIII.	The national income: United Kingdom, 1911 and 1924 .	91
XLIV.	Estimate of national income: Great Britain and N. Ireland, 1924 to 1935	93
XLV.	Trend of aggregate real income and income per head .	94
XLVI.	Distribution of home-produced income	94
XLVII.	Distribution of incomes assessed to super-tax or sur-tax: Great Britain and N. Ireland, 1924-5 and 1933-4 .	97
XLVIII.	Analysis of national expenditure	100
XLIX.	Estimated wealth of the United Kingdom, 1928	108
L.	Distribution of wealth, United Kingdom, 1919	109
LI.	Distribution of capital according to amount owned and number of owners: England and Wales, 1911-13 and 1924-30	111
LII.	Proportion per 1,000 of the population, at different ages, attending or not attending educational institutions: Eng- land and Wales, 1931	114
LIII.	Number of pupils in various age groups on the registers of certain types of school: England and Wales, 1931-2 .	115
LIV.	Full-time pupils under 17 years of age: England and Wales, 1931	117
LV.	Technical and further education: England and Wales, 1934-5	124
LVI.	Adult education: England and Wales, 1934-5	126
LVII.	Work of juvenile employment committees: England and Wales, 1933 and 1934	129
LVIII.	Distribution of juveniles of age 14-17 among the larger in- dustries: Great Britain, 1935	130
LIX.	Number of weeks lost through sickness, unemployment, and trade disputes: Great Britain, 1921 to 1924 .	144
LX.	Expenditure on public social services: Great Britain, 1934 or latest available year	150
LXI.	Amount and percentage of income taken as income tax: Married man with 3 children	151
LXII.	Accumulated savings of small investors: Great Britain, 1925 and 1934 or latest available year	156
LXIII.	Industrial assurance: Great Britain, 1933	160
LXIV.	Voluntary hospitals: England and Wales, 1932 to 1934 .	165
LXV.	Voluntary hospitals: Great Britain (excluding London), 1925 to 1934	167

● LXV. Booth's classification of London population	171
LXVI. Working-class families classified according to their position relative to the minimum standard	174
LXVII. Classification of London population	176
LXVIII. Cost of living, October 1st, 1936: A Bowley's 'Bare physical efficiency' standard; B. Rowntree's 'Human needs' standard	179
LXIX. Persons in receipt of relief: England and Wales, January 1st, 1936	182
LXX. Reported causes of relief	182
LXXI. Indictable offences: England and Wales, 1900 to 1934	186
LXXII. Indictable offences: Proportion of persons tried per 100,000 population: England and Wales, 1911 to 1934	187
LXXIII. Murders: England and Wales, 1900 to 1934	190
LXXIV. Non-indictable offences: England and Wales, 1900 to 1934	191
LXXV. Drunkenness and offences against highway acts	192
LXXVI. Total civil proceedings begun in all courts: England and Wales, 1910 to 1934	193
LXXVII. Distribution of intelligence in Northumberland	199
LXXVIII. Distribution of intelligence among London school-children	200
LXXIX. Estimated incidence of mental defect: England and Wales, 1906 and 1926	204
LXXX. Occupations of fathers and intelligence of children in Northumberland	207
LXXXI. Analysis of growth of population: England and Wales, 1881 to 1934	212
LXXXII. Effect of age of mother on birth-rate	213
LXXXIII. Estimates of the future populations of England and Wales	216
LXXXIV. Legitimate birth-rates in certain social classes: England and Wales, 1911 and 1921	219
LXXXV. Birth-rates by geographical regions: England and Wales, 1932 and 1933	221
LXXXVI. Fertility of different groups compared: mothers of 40 to 50 years of age	224

INTRODUCTION

STATISTICAL abstracts of social data exist, though not perhaps in any wholly satisfactory form. There is not, however, to be found any attempt to treat contemporary social data from what may be called the morphological point of view. This is the task attempted in this volume. Our aim is to present a coherent picture of some of the more important aspects of social life in this country so far as they can be illustrated by statistics. It is upon the relations of the various aspects of society that stress is laid. A grasp of these relations alone can give any life to the bare bones of social statistics. No attempt has been made to give more than a brief account of any subject treated. We have aimed at selecting the outstanding facts relating to each subject and at weaving them into a coherent whole. Rigorous selection of material has been practised and matter has only been included which contributes in some fashion to the construction of the picture.

This is a pedestrian task. We are concerned only with what can be quantitatively described. It is, however, a more difficult task than appears at first sight. There is no lack of some sort of data. The trouble is with their abundance and not with their paucity, and yet, in the precise form in which they are wanted, they are often tantalizingly deficient. How are we to weave a coherent scheme out of the chaos of such facts as lie to hand? A guiding thread has to be found and followed that will lead us through the maze and enable us to construct a picture of social conditions as a whole. The choice of a guiding thread is an arbitrary matter. There is no one way of dealing with the problem that is more logical and obvious than any other. Objections can easily be found to any scheme.

It seems likely that most schemes would begin with an analysis of the population. The bare census totals take on meaning when the distribution of population by age and sex is discussed. The mention of the sex ratio leads to an

examination of marital conditions and, since the population is not an aggregation of isolated units but is grouped into families, it is necessary to examine the facts as to these groupings (Chapter I). We are next led to ask how these family groups live, and the answer involves an inquiry into housing (Chapter II). Houses are unequally distributed, and we are led on to consider the extent of urbanization on the one hand and the geographical distribution of the population on the other (Chapter III). This distribution is explained by the unequal distribution of industrial facilities, and classification by industry claims our attention (Chapter IV). The daily life of man, however, is not so much affected by his industry as by his occupation (Chapter V) and by his industrial status (Chapter VI). In the course of these last three chapters other questions suggest themselves. How many 'idle rich' are there? Do 'hordes of officials' exist? After an attempt to answer these questions, the fact that men voluntarily organize themselves on the basis of their occupation in industry into trade unions and professional associations deserves notice (Chapter VII). We are induced here to follow a by-path for a chapter, because men also organize themselves for political, social, and religious purposes, but in groups having little or no connexion with occupational associations (Chapter VIII). We return then to the main road and consider the national income and its distribution, since it is from their occupations that men gain their livelihood (Chapter IX); and the mention of the national income leads naturally to a discussion of the national wealth (Chapter X). Educational facilities above the level of the elementary school are in large part limited to persons above a certain level of income, and we thus come to inquire into the breadth of the educational ladder (Chapter XI). Education is always in part education for livelihood as well as for life, and so the problem of entrance into industrial and commercial life arises and we are led to ask among other matters what kind of openings are available to school leavers (Chapter XII). Having entered industry, workers are faced with the dangers of ill health and un-

employment and with the prospect of old age, against which the State makes some provision (Chapter XIII). The state schemes involve a certain compulsory transfer of wealth from rich to poor, and this deserves mention because it affects the distribution of the national income previously described (Chapter XIV). Workers themselves also make voluntary provision against misfortune (Chapter XV), and the voluntary contributions of the rich to charitable and other schemes, the benefits of which they do not themselves share, bring about a voluntary additional transfer from rich to poor (Chapter XVI). In spite of these schemes and efforts, poverty exists on a large scale and calls for some attempt at exact measurement (Chapter XVII). Poverty is only one form of social failure that can be measured and treated quantitatively; crime is another (Chapter XVIII). The discussion of poverty and crime shows that in some degree, though it may be only to a small extent, they arise from inborn deficiencies, and this leads to a discussion of the inborn characteristics of the population as a whole (Chapter XIX). This naturally gives rise to the reflection that the population may be recruited from its better or from its worse elements, and so the wheel has gone full circle and we come back to where we began in the first chapter. But it is not enough to analyse the population as it is: it is of the greatest importance to know also whither we are tending (Chapter XX).

Objections can easily be found to this scheme as a whole. It is easier still to object to the inclusion of some topics and to the exclusion of others. The exclusion of many important subjects is, indeed, the most obvious opening for criticism. Some criticism may be anticipated by stressing the fact that the scheme we have adopted involves the deliberate omission of purely commercial and financial data. Social life is of course intimately dependent upon industry and trade, but our object is to describe social conditions and not their background. It will be found that, in the working-out of the scheme, facts have been taken from any authoritative source. Use has also been made of the results obtained by research workers, and the

treatment often extends beyond a bare quotation of available figures. Existing data have been analysed and combined whenever by so doing it seemed possible to illuminate some problem of importance. For any data presented in a form substantially different from that in which they are to be found in the original sources we must bear the responsibility. Since the book is not primarily intended as a work of reference, the sources of information are given in an appendix and not in the text.

A word of explanation is required regarding the title. We have called the book *The Social Structure of England and Wales*, and for the most part our data relate to England and Wales only. Since Scottish data are usually given separately and not always in the same form, their inclusion would have often required additional tables and explanation. The loss in conciseness involved by extension to Great Britain would seem to outweigh the gain in completeness. When, however, as for instance in regard to income and wealth, data are only available for a larger area, they are used, and in this respect the title is not wholly accurate. Again, in one or two instances, as for instance in regard to population, Scottish figures are introduced. The reason for this departure from the scheme is that population statistics are fundamental, and so, since perforce data for Great Britain are used later in some places, it seemed desirable to give these fundamental facts for the whole area. Since many figures and references are quoted and many calculations are made, some errors are certain to be discovered though every care has been taken to avoid them. We shall appreciate the courtesy of readers who bring them to our notice.

I

POPULATION: AGE, SEX, MARRIAGE

EVERY tenth year a census is taken. From the census we get a figure for the total population of Great Britain including the Army and Air Force at home on the date in question and those serving in the Navy and Merchant Service who are in port or ashore. The totals given by the most recent censuses are as follows:

TABLE I^{*}
Census Population
Great Britain, 1881 to 1931

Year	England and Wales		Scotland		Great Britain			Percentage Increase on Total of Preceding Census
	Males (000s)	Females (000s)	Males (000s)	Females (000s)	Males (000s)	Females (000s)	Total (000s)	
1881	12,600	13,334*	1,800	1,936*	14,439	15,271*	29,710	14
1891	14,053	14,950	1,943	2,083	15,996	17,032	33,028	11
1901	15,729	16,799	2,174	2,298	17,902	19,098	37,000	12
1911	17,446	18,625	2,309	2,452	19,754	21,077	40,831	10
1921	18,075	19,812	2,348	2,535	20,423	22,346	42,769	5
1931	19,133	20,819	2,326	2,517	21,459	23,336	44,795	5

* The actual number of females in England and Wales, Scotland, and Great Britain in 1881 were recorded as 13,334,537, 1,936,098, and 15,270,635. Expressed to the nearest thousand the figures are therefore not incorrect as quoted above, although the total does not equal the sum of its constituents. Other instances of a like apparent discrepancy occur in this table and elsewhere throughout the book.

The total for years other than census years is not known with the same degree of accuracy, because it is a matter of estimation and not of enumeration. The Registrar-General makes estimates of the total population for such years, based upon the registration of births and deaths and upon the recorded movements of people into and out of the country. Since the record of migration movements is not as complete as that of births and deaths, these estimates are liable to error, but, as a result of recent improvements in the keeping of migration records, the errors are now unimportant.

POPULATION: AGE, SEX, MARRIAGE

TABLE II²

*Estimated Post-Census Population
Great Britain, 1932 to 1935*

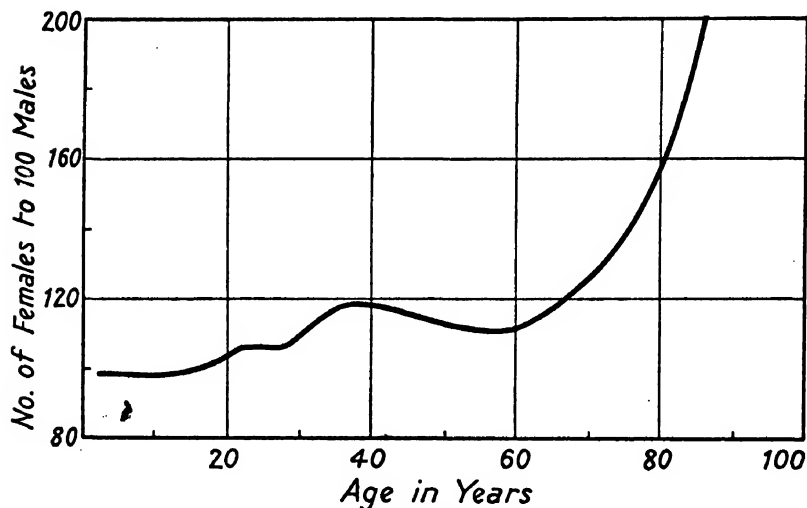
<i>Year</i>	<i>England and Wales (000s)</i>	<i>Scotland (000s)</i>	<i>Great Britain (000s)</i>
1932	40,201	4,883	45,084
1933	40,350	4,912	45,262
1934	40,467	4,934	45,401
1935	40,645	4,952	45,597

It is of necessity, however, the population of 1931 and not that of 1935 which for many purposes must be the subject of discussion in this book. This is so because when a census is taken each householder fills up a schedule, replying to questions under different heads (eleven in 1931), and these replies when analysed and combined provide us with a large amount of information which is not available for other years. Thus we get for the census year a picture of the population showing, for instance, the number employed in each industry and the number following each occupation. As to these and other matters, therefore, it is the condition of things in 1931 that we are about to describe. Where information referring to a more recent date is available, it will be used. If it be objected that the conditions of 1931 are past history, it may be replied that, owing to the vast amount of calculation required, the most important results are only published some years after the taking of a census. The information is therefore new, if not up to date.

Table I, in addition to giving the total population each year, makes an analysis of it according to sex. It will be noticed that in 1931 there were in England and Wales nearly 1,700,000 more females than males. It is not mere pedantry to use the terms male and female, because the figures refer to all ages and include babies. The sex ratio at this date may be expressed by saying that there were 1,088 females to every 1,000 males. This is a high figure. Since the first census in 1801 the proportion has never

been less than 1,036 to 1,000 (in 1821), and never more than 1,096 to 1,000 (in 1921).³

The problem of the sex ratio is not simple. Though females predominate in the population as a whole, more boys are born than girls. In consequence of this excess of male births, males outnumber females in the earlier age groups up to age 15, as Table III shows. Among all those



Sex Ratio in relation to Age, England and Wales, 1931

over fifteen years of age females are in excess, and the older the group the greater in general is the relative excess of females. Among those eighty-five years old and over there are more than two women to each man. There are various reasons why in normal times women predominate in the population as a whole, in spite of the preponderance of boys over girls at birth. Women are more hardy than men, and they are better able to resist the strains and stresses of life. Thus in one very real sense the female sex is not the weaker sex. Again, men are more exposed to accidents than women owing to the nature of their employment. It is for the most part men and not women who perish in disasters at sea, in mine accidents, and industrial fatalities. But some twenty years ago we passed

4 POPULATION: AGE, SEX, MARRIAGE

through an abnormal period when large numbers of men were exposed to an unusual risk—that of death in war. This last fact accounts for the unusual preponderance of women in 1921 which is still observable in 1931.

TABLE III⁴

Sex Ratio: Females to 1,000 Males

England and Wales, 1921 (a) and 1931 (b)

Age	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40-44	45-49
Ratio (a)	976	992	992	1,027	1,176	1,209	1,186	1,156	1,127	1,070
(b)	980	980	980	1,009	1,057	1,061	1,132	1,185	1,167	1,152
Age	50-54	55-59	60-64	65-69	70-74	75-79	80-84	85-	<i>All Ages</i>	
Ratio (a)	1,074	1,086	1,132	1,194	1,342	1,476	1,685	2,052	1,096	
(b)	1,134	1,095	1,130	1,199	1,313	1,448	1,700	2,143	1,088	

The ratio of 1,088 women to 1,000 men is an average for the whole of England and Wales. We have seen that it does not hold good for different age groups. It may also be noticed that it does not hold good for different localities. Thus in rural districts, as officially defined, there were 1,017 females to every 1,000 males, whereas in urban districts, including London and County Boroughs, there were 1,107 females to every 1,000 males. In Greater London the ratio was as high as 1,140 females to every 1,000 males;⁵ and in general it may be said that the larger the town the higher the ratio.

We have touched upon age distribution in relation to sex. Age distribution is of great importance quite apart from sex. There is no such thing as an invariable distribution; different communities are markedly contrasted one with another in respect to the proportion which those of school age, those of working age, and those who have retired from active life, form of the whole population. Many factors play a part in making the age distribution in any community what it is. First in importance is the birth-rate. An increase in the birth-rate will increase, and a diminution in the birth-rate will decrease, the proportion of young persons. Secondly, immigration and emigration affect the position. The former causes an influx of young people, because it is the young rather than the old who move, while the latter has the opposite result. Thirdly,

the death-rate is obviously a powerful factor. Not only are different communities strongly contrasted with one another in these three respects, but the age distribution may change markedly within any country during a relatively short space of time as one or more of these factors change in intensity. The following table shows the changes that have taken place in the age distribution of Great Britain during the last 40 years:

TABLE IV⁶

*Number and Proportion of Persons under and over 15 Years of Age
Great Britain, 1891 to 1931*

Year	Number (000s)		Percentage	
	Under 15	Over 15	Under 15	Over 15
1891	11,604	21,424	35	65
1901	12,041	24,959	32.5	67.5
1911	12,588	28,243	31	69
1921	11,940	30,829	28	72
1931	10,825	33,970	24	76

TABLE V⁶

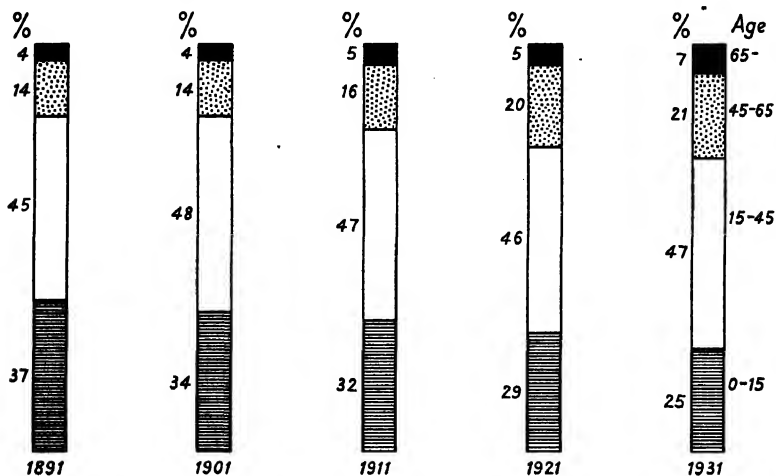
*Distribution of Males according to Age
Great Britain, 1891 to 1931*

Age last Birthday	Numbers (000s)					Percentage of Year's Total				
	1891	1901	1911	1921	1931	1891	1901	1911	1921	1931
0-4	2,030	2,124	2,204	1,920	1,724	13	12	11	9	8
5-14	3,775	3,898	4,100	4,091	3,742	24	22	21	20	17
15-44	7,283	8,522	9,404	9,359	10,036	45	48	47	46	47
45-64	2,226	2,609	3,132	3,950	4,532	14	14	16	20	21
65 & over	689	749	914	1,103	1,425	4	4	5	5	7
0-14	5,805	6,022	6,304	6,011	5,466	36	34	32	29	25
15-64	9,509	11,131	12,536	13,309	14,568	59	62	63	65	68
All Ages	16,003	17,902	19,754	20,423	21,459	100	100	100	100	100

The number of children under 15 years of age in 1931 was smaller by more than three-quarters of a million than the number in 1891 though the total population had increased by nearly 12 millions during these 40 years. It is interesting in this connexion to note that the number of scholars on the books of ordinary public elementary

6 POPULATION: AGE, SEX, MARRIAGE

schools, higher elementary schools, special schools, and certified efficient schools in England and Wales, reached its highest point in 1915, when it was 6,109,000.⁷ Since then it has steadily fallen. This fact has an obvious prac-



Changing Age Distribution of Males, Great Britain, 1891 to 1931

tical bearing. We need at present to build houses faster than we need to build new schools, because the population as a whole is growing faster than the school population. These changes in age distribution are also of importance in other relations. As a community we are, at least so far as years count, less youthful than we were. This almost certainly affects our outlook, but upon that matter statistics shed no light. Statistics, however, can be used to illustrate a further point, namely, the changes in the proportion of the population which is of working age.

If we regard those who are under 15 and those who are over 65 as constituting the dependent section of the community, it is seen from Table V (which refers to males only) that this section is of less relative importance than it was. In other words, a larger proportion of the population is of working age as thus defined. But important changes have taken place within both the dependent and the working sections of the population. The former now consists of a proportionately larger number of old people

than was formerly the case. The workers labour increasingly to support the pensioners rather than the coming recruits to industry. In the working section those over 45 have relatively increased, whereas those under 45 bear about the same proportion to the total as they did 20 years ago. In fact, and it is a matter of much importance, the employable section of the population is on the average older than it was. The question of age distribution has also an obvious bearing upon health and mortality, because the hand of death falls heavily upon infants and the elderly, Where the elderly are relatively numerous, there cancer and diseases of the circulatory system will play a larger part than in a community where infants are relatively numerous. Death employs quite different weapons in its attack upon the young, who fall victims to diphtheria, measles, and such-like maladies.

Again, there are local differences in age distribution just as there are local differences in sex distribution. In general, there is not much difference between town and country in the proportion which those under school-leaving age bear to the whole population. But those under 40 years of age form a higher proportion of the urban than of the rural population, while those over 40 are relatively more numerous in the country. This is partly due to the fact that country dwellers live longer, and partly to the fact that town dwellers, when they retire, often go to live in the country.

TABLE VI⁵

Distribution of Males by Age and Locality
England and Wales, 1931

District	Average Age	Age Distribution per 1,000				
		0-4	5-19	20-39	40-	All Ages
Urban Areas	31.7	79	261	320	340	1,000
Rural "	32.4	79	264	301	356	1,000

The topics just discussed follow naturally after an inquiry into the total population. But the fullest information

8 POPULATION: AGE, SEX, MARRIAGE

regarding sex ratio and age distribution does not get us far in the direction of constructing any picture of the community. This is so because society is not composed of units thrown together by chance like so many grains of sand. It consists of groups of persons who, at least so far as the adult members of the groups are concerned, have come together consciously and of set purpose. These groups are typically family groups—father, mother, and children, with whom other relatives may be living. The best term is perhaps 'household'. The household is important not only because it plays so large a part in emotional life, but also because within it there is an element of communism, at least to the extent that what is important is family resources and not individual income. It is therefore clear that information is required as to the number, size, and other characteristics of households in this country. At the same time it is obvious that to these questions no simple statistical answer can be returned. We cannot state the position so clearly as we could in discussing age distribution and the sex ratio, because it is not easy to define a household; nor is it easy to ascertain how many households there are, whatever may be the definition selected.

Since the group in question is typically a family group the problem may be approached by asking how many married persons there are. The following table sets out what may be called the marital condition of the population:

TABLE VII⁸

Marital Condition of the Population England and Wales, 1921 and 1931

	Number (000s)				Percentage			
	Males		Females		Males		Females	
	1921	1931	1921	1931	1921	1931	1921	1931
Single	9,949	9,911	10,591	10,414	55.0	51.8	53.5	50.0
Married	7,475	8,490	7,590	8,604	41.4	44.4	38.3	41.3
Widowed	642	719	1,622	1,782	3.6	3.8	8.2	8.7
Divorced	8	13	8	19				
Total	18,075	19,133	19,811	20,819	100.0	100.0	100.0	100.0

From this table we learn that there were in 1931 in England and Wales on the day of the census rather less than $8\frac{1}{2}$ millions of married men and rather more than that number of married women. The excess of married women is not due to any unsuspected lingering on of polygamy in our midst, but to the fact that on any given day some thousands of married men are abroad or on ship, having left their wives at home. Since very few married couples will not form the centre of a single household we can put the minimum number of households at $8\frac{1}{2}$ millions. With the help of this table alone we cannot go farther than this. The number of households must be greater than $8\frac{1}{2}$ millions because many of the 720,000 widowers and of the 1,780,000 widows have households of their own. In addition, some unmarried persons maintain households.

Before, however, we pass on to consider other evidence bearing upon this matter of households, the above table repays rather more careful examination. It will be seen that according to this table divorced persons are negligible in number, and over 56 per cent. of the recorded total of the divorced were between the ages of 25 and 45.⁹ Perhaps the most remarkable fact revealed by the table is that there were in both years more than twice as many widows as widowers. In 1921 there was a large legacy of war widows. But there are other causes, unconnected with war, which tend to produce more widows than widowers. There is the greater industrial mortality among men and the longer average life of women—two factors which of course are not unconnected. Again, men are on the average older than women when they marry and so tend to die before their wives. Also, the excess of women over men probably results in widowers marrying more readily than widows.

It is worthy of note that the marriage rate, that is, the number of persons who get married in a year per 1,000 living at all ages, maintains a remarkable constancy. In successive five-yearly periods from 1841 to 1933 the extreme variation of the mean rate was from 14.7 to 17.1, and the mean for the whole period 1838 to 1933 was 15.9.¹⁰

If figures are examined which give the age distribution of the single, married, widowed, and divorced, it is found that while of men aged 20-24 only about one-seventh are married, seven out of eleven of the men aged 25-34 are married.¹¹ The mean age at marriage for men is 29.0 and for women 26.4, but the commonest age at marriage is somewhere between 21 and 25 for spinsters and between 25 and 30 for bachelors.¹² In the older age groups the proportion of single men sinks, so that for those over 45 years of age it may be said very roughly to be one-tenth of the total above that age. Over one-quarter of all women 20-24 years old are married. Of women over 45, about one-sixth remain single.¹¹

It seems to be generally supposed that a woman has less chance of marriage after than she had before the war. The following table shows that on the average in 1931, out of every 1,000 women over 15 years old, 534 were married, whereas in 1911 only 506 were married. This widespread notion is therefore questionable.

TABLE VIII¹³
Single, Married, and Widowed of Age 15 and over
England and Wales, 1901 to 1931

Year	Proportion per 1,000 Males			Proportion per 1,000 Females		
	Single	Married	Widowed	Single	Married	Widowed
1901	411	536	53	395	497	108
1911	403	545	52	390	506	104
1921	365	584	51	368	520	112
1931	356	593	51	354	534	112

The marital condition of the population first attracted our attention because it threw some light upon the number of households. Let us now return to that problem. Further information may be obtained by the use of that part of the census which deals with housing. The census gives the total number of 'private families' as 10,233,000,¹⁴ and defines a 'private family' as 'any person or group of persons included in a separate return as being in separate occupation of any premises or part of premises . . . lodgers being so treated only when returned as boarding separately

and not otherwise'. It is further explained that 'private families' comprise all such groups 'with the exception of those enumerated in (1) institutions, or (2) business establishments or boarding-houses in which the number of resident trade assistants or resident boarders exceeds the number of members of the employer's or householder's family (including private domestic servants)'.¹⁵ How far in the light of this definition can we regard the 10,233,000 'private families' as 'households' in the true sense? It would appear that a few 'households' will not be included among the 'private families'. This will apply for instance to families in lodgings not recorded as boarding separately. A more serious divergence between the official conception of a 'private family' and our conception of a 'household' arises from the fact that single persons living alone are counted each as a 'private family'. There were 689,000 such persons in 1931, accounting for 689,000 of the 10,233,000 'private families'.¹⁴ Since it takes at least two persons to form a 'household', the total of 'private families' must be reduced by nearly 700,000 to correspond to our conception of the total number of 'households'. It would therefore seem probable that there were in 1931 about 9½ million 'households', most of which centred round a married couple.

Since accurate information is limited to 'private families', we can only pursue the topic further by concentrating upon them and abandoning 'households'. The total population in 'private families' was 38,042,000, and from this two facts follow. First, there were 1,910,000 persons who were not then living with any 'private family'. One half of this latter group was made up of persons in 'institutions' including soldiers and sailors, and all those in workhouses and hospitals, Home Office schools and prisons, most of whom were only temporarily separated from their families.¹⁶ The other half included persons in hotels, in residential schools (other than Home Office schools), employees 'living in', and others, again for the most part only temporarily separated from their families. It is impossible to estimate how many persons there are without attachment

to any group; but they must be few in number. Secondly, since the number of 'private families' and also the total population in 'private families' are known, the average number of persons per 'private family', as officially defined, is easily calculated and works out at 3.72.¹⁴ It may also be observed that the size of the private family is on the decline. In 1921 the average number of persons per private family was 4.14.

Averages in this as in so many cases may mean little. The following table shows that the 'private family' of three is the most common type of 'private family', and that more persons belong to a 'private family' of four than to any other type of 'private family'.

TABLE IX¹⁷
Private Families classified by Size
England and Wales, 1921 and 1931

Number of Persons in Family	Families				Population			
	Number (000s)		Percentage		Number (000s)		Percentage	
	1921	1931	1921	1931	1921	1931	1921	1931
1	527	689	6.0	6.7	527	689	1.5	1.8
2	1,547	2,240	17.7	21.9	3,094	4,480	8.6	11.8
3	1,824	2,460	20.8	24.1	5,471	7,380	15.1	19.4
4	1,625	1,980	18.6	19.4	6,501	7,920	17.9	20.8
5	1,214	1,271	13.9	12.4	6,067	6,355	16.7	16.7
6	818	747	9.4	7.3	4,911	4,482	13.6	11.8
7	520	422	6.0	4.1	3,640	2,954	10.1	7.8
8	315	214	3.6	2.1	2,518	1,712	7.0	4.5
9	179	112	2.1	1.1	1,614	1,008	4.5	2.7
10 and over	170	98	1.9	0.9	1,837	1,062	5.0	2.7
Total	8,739	10,233	100.0	100.0	36,180	38,042	100.0	100.0

But the private family largely centres round the family in the ordinary sense of the word, namely parents and their children, and it is natural next to inquire into the size of the family in this sense. When, however, we attempt to do so, we find that no figures are available. It is an extraordinary fact that we do not know how many families there are with one, two, three, or more children, and that we do not know the number of childless married couples. This is a very serious gap in our knowledge of the social structure of this country.

II

POPULATION: HOUSING

OUR analysis of the population has led us to visualize groups of persons in the form of households rather than of individuals as the true component units of the community. We are led to ask how and where these households live. This chapter attempts to answer the first of these questions, leaving the second for separate treatment in the next chapter. We are therefore concerned here with housing.

The Englishman's ideal in this matter is 'Every household its own house'. He draws a sharp distinction between a house and a flat, and has shown, in any case until recently, a marked repugnance to living in a flat. In this he is not peculiar. The inhabitants of the Dominions, of the United States of America, and of some European countries, though not many, share his preference for houses. A horizontal distribution of the population in houses makes for the sprawling of towns over considerable areas, whereas a vertical distribution in flats implies concentration. But the houses in English towns have been built until recently so close together and with so few open spaces that relatively speaking no vast areas are covered. If, however, our towns are remodelled on the lines of the new housing estates, they will sprawl so far as to swallow up a considerable proportion of the country-side.

The census provides our main source of information with regard to housing, and the data which it contains are detailed and voluminous; in 1931 for the first time a special volume was devoted to housing statistics. But since housing conditions are not easily susceptible to statistical treatment, it is difficult to construct a very illuminating picture out of these data. In order to understand them it is necessary to take careful note of the definition of the terms 'structurally separate dwelling' and 'room' as employed by the census authorities. A 'structurally separate

'dwelling' is defined as 'any room or set of rooms, intended or used for habitation, having separate access either to the street or to a common landing or staircase'.¹ In other words, an undivided house is a dwelling in this sense. So also is each flat in a block of flats, since under this definition any group of rooms (or even a separate room), if it has a front door, although it may merely lead to a common staircase, is a dwelling. But separate rooms in a lodging house occupied by separate families are not dwellings. For if an undivided house, however large it may be, is occupied by more than one family, it still counts only as one dwelling. As to the term 'room', it is important to notice that the only 'rooms' enumerated in the census are the usual living-rooms, including bedrooms and kitchens. Sculleries, landings, lobbies, closets, bathrooms, any warehouse, office, or shop rooms are excluded.¹

From Table X we learn how the population was living on the day of the last census: 95·2 per cent. were living in private families, that is to say in houses or flats; the remaining 4·8 per cent. were living otherwise. It is worthy of note that nearly one-half of the remainder were in hotels, boarding-houses, or lodging-houses; so that less than 3 per cent. of the whole population were in barracks, work-houses, schools, hospitals, and prisons.

TABLE X²

*Population in Private Families and in Institutions, &c.
England and Wales, 1931*

<i>Population in</i>	<i>Number (000s)</i>	<i>Per cent. of Total</i>
Private Families	38,042	95·2
Institutions, &c.	1,910	4·8
Hotels, Boarding Houses, &c.	832	2·1
Schools (excluding Home Office Schools)	126	0·3
Hospitals, Nursing Homes, &c.	282	0·7
Institutions for Physical and Mental Defectives	193	0·5
Poor Law Institutions	159	0·4
Prisons (including Home Office Schools)	24	0·1
Army, Navy, and Air Force	172	0·4
Ships, Boats, and Barges	50	0·1
Other Institutions	72	0·2

TABLE XI³*Dwellings Occupied by Private Families
England and Wales, 1921 and 1931*

<i>Dwellings each Occupied by</i>	<i>Number of Dwellings (000s)</i>		<i>Number of Families (000s)</i>	
	1921	1931	1921	1931
1 Private Family	7,007	8,285	7,007	8,285
2 „ Families	598	660	1,196	1,320
3 or more Private Families	155	178	536	628
Total	7,760	9,123*	8,739	10,233

* Number of tenantless dwellings = 276,256.

Confining our attention to that part of the population which is living in private families, the English ideal is, as said above, for each family its own house. But the available data relate only to structurally separate dwellings, and do not distinguish between houses, that is, groups of rooms with a front door leading to the street, and flats, that is, groups of rooms with a front door leading to a landing or staircase. Therefore we cannot say how far the position in 1931 departed from this ideal. All we can do is to show how many families had no structurally separate dwellings of their own, and were obliged to share a dwelling with another family. It will be seen from Table XI that there were 838,000 dwellings each sheltering two or more private families, and the total number of families thus sharing a home was 1,948,000, or nearly one in every five of all private families. This crowding of two or more families into one dwelling may or may not imply overcrowding in the hygienic sense. It certainly does imply conditions under which family privacy is impossible. A household without its own front door cannot regard its home as its castle. When the census was taken there were about 10½ million families occupying roughly 9 million dwellings. But the position was not so bad as these figures seem to imply. These families are 'private families' in the official sense, and of them nearly 700,000 consisted of one person only, such as lodgers occupying rooms in a house but not boarding with the householder's family, as we saw in the last chapter. Even under ideal

housing conditions it would not be proposed that separate dwellings should be found for all of these persons.

At the date of the 1931 census no satisfactory official index of overcrowding existed, although it was customary to assume that houses which contained more than two persons to a room, understanding by a room a living-room or bedroom, were likely to be overcrowded. According to this standard, 6·9 per cent. of the private family part of the population of England and Wales was living under overcrowded conditions in 1931 as compared with 9·6 per cent. in 1921. There were, in fact, in 1931 roughly 2,640,000 persons living in private families with less than one room to two persons.⁴ But this standard is an imperfect one, because it takes no account of the size of rooms, and rooms vary greatly in size. The differences between one town and another in respect to overcrowding so measured may be partly explained as due to a greater average size of room in one town than in another. The measure, however, has a distinct value, and wide differences, as between Jarrow with 33·1 per cent. of the private family population living more than two to a room, and Bedford with only 1·1 per cent. so living, are certainly indicative of true differences in conditions.⁵

Making the best use we can of the information in the census, some idea of present conditions may be obtained by finding how many families there are living in one room, how many in two rooms, and so on, and what proportion of the population they represent. In Table XII all the private families in the country are divided up on this principle. It is possible to see also how the various groups stand with reference to the measure of overcrowding defined above; the results are given in the last column of the table. It appears that over 95 per cent. of the whole population live in private families, and on the average each person occupies rather more than one room. Naturally, the families occupying the smallest number of rooms, other things being equal, are more likely to be overcrowded, and this is borne out by the upward gradation of the numbers in the last column of Table XII.

TABLE XII⁶

*Distribution of Families and Persons according to Rooms Occupied
England and Wales, 1931*

<i>No. of Rooms occupied by each Family</i>	<i>Families</i>		<i>Population</i>		<i>Average No. of Rooms per Person</i>
	<i>Number (000s)</i>	<i>Percentage</i>	<i>Number (000s)</i>	<i>Percentage</i>	
1	348	3.4	673	1.8	0.52
2	1,016	9.9	2,974	7.8	0.68
3	1,545	15.1	5,433	14.3	0.85
4	2,520	24.7	9,592	25.2	1.05
5	2,423	23.7	9,629	25.3	1.26
6 or more	2,381	23.2	9,741	25.6	—
All Rooms	10,233	100.0	38,042	100.0	1.21

It is sometimes suggested that housing conditions in rural areas are less satisfactory than in towns. It is true that in the country there are relatively more houses with few rooms—and, at the other extreme, more houses with many rooms—than in the towns, but this does not carry the implication that there is more overcrowding in the country. Speaking generally, the facts are quite the other way, as the following figures indicate:

TABLE XIII⁷

*Private Family Population in Relation to Rooms Occupied
England and Wales, 1931*

<i>Class of Area</i>	<i>Proportion per 1,000 Population Occupying Rooms as below</i>					
	1	2	3	4	5	6 or more
Urban	21	87	150	252	248	242
Rural	4	42	114	257	272	311

Another method of comparing two areas in respect of crowding is to calculate the number of persons per acre in each. This method is of value when used to compare different areas of the same town, say one ward with another, so long as the areas under consideration do not include open spaces in one case and none in the other, and provided that the nature and height of the buildings are approximately the same in both. It is not often, even when comparing small areas in the same town, that we find these

conditions are adequately fulfilled. They are seldom or never fulfilled when comparing different towns, and the comparisons made without due allowances for such factors may be misleading. Further, it is often extremely difficult to make adequate allowances. The area covered by docks and open spaces may be calculated and subtracted from the total area occupied by each town; but no method offers itself whereby allowance can be made for the fact that factories, workshops, and railway sidings may occupy more space in one town than in another.

When a finger is pointed at the housing conditions in this country, those who are criticized have been known to divert the attention of their critics to certain parts of Scotland, with the implication that we can be thankful that at least we are not as other people are. It may be well therefore to examine the statistics for Scotland. Unfortunately they are not given in the same form as the English figures, and the best we can do is quote them and allow the reader to draw his own conclusions, with the remark that a strict comparison between the two countries may be difficult.

To appreciate the tables the meaning of the terms 'house' and 'room' must be made clear. A house is defined in Scotland as a dwelling (1) with a distinct outside entrance from a street, lane, road, &c., or (2) with a door opening directly into a common stair or passage, and such a dwelling must, therefore, be counted as one house, even although it is subdivided and occupied by more than one family or separate occupier. Kitchens are to be counted as rooms; but kitchenettes, sculleries, pantries, bathrooms are not to be counted, nor rooms used as offices, shops, or for other business purposes.⁸ Also, all rooms with borrowed lights are excluded.

The total private family population in 1931 was 4,683,000, and the total number of occupied houses was 1,147,000, representing a mean rate of occupation of 4.08 persons to each house; 9.5 per cent. of the houses were one-roomed and 37 per cent. two-roomed.⁹ Of the total private family population 35 per cent. were living more

than 2 to a room, 15 per cent. were living more than 3 to a room, and 6 per cent. were living more than 4 to a room.¹⁰ The average number of persons per room was 1.27.⁹ The following table shows in more detail how these 4,683,000 people were housed. It may be compared with Table XII relating to England and Wales, which is something of the same, though not precisely the same, character.

TABLE XIV¹¹
Houses and Population in Relation to Rooms
Scotland, 1931

<i>Houses of</i>	<i>Houses</i>		<i>Population</i>		<i>Average No. of Rooms per Person</i>
	<i>Number (000s)</i>	<i>Percent. of All Houses</i>	<i>Number (000s)</i>	<i>Percent. of Total Popln.</i>	
1 Room	110	9.5	333	7.1	0.33
2 Rooms	423	36.9	1,727	36.9	0.49
3 "	285	24.8	1,220	26.1	0.70
4 "	136	11.9	564	12.0	0.96
5 "	71	6.2	288	6.2	1.23
6 + "	122	10.7	551	11.7	—
Total	1,147	100.0	4,683	100.0	

Thus far we have been using data given in the census. The picture so obtained is incomplete. As pointed out above, these data throw little light upon the important subject of overcrowding; to this may be added the fact that, since rapid changes are in progress in relation to the housing position, the situation in 1931 is already rather ancient history. It is possible to amplify the information given above from other sources, and thus to do something to repair these omissions. Let us first deal with the overcrowding question.

The Housing Act of 1935 contains provisions intended to reduce overcrowding and with this object lays down the maximum number of 'permitted' persons per house. The standard consists of two parts. The first part provides that a dwelling is to be deemed overcrowded if any two persons, ten or more years old and of opposite sexes, not living together as man and wife, are obliged to sleep in the same room. Since, given two rooms which may be used as bedrooms, it is always possible to separate the sexes at night, it is clear that only a single-roomed dwelling

could ever offend against this rule. Its effect is therefore less sweeping than it seems at first. But the second part of the standard, concerning the capacity of a house to provide accommodation, is of more importance. Its provisions are too complicated to set out here in detail. It must suffice to say that the 'permitted number' of persons to a house depends upon the number and floor capacity of the rooms it contains and upon the number of 'equivalent persons' to be accommodated, counting each child under ten as one-half a person and ignoring infants under one.

The Act required housing authorities to survey all working-class dwellings in their areas and to ascertain the amount of overcrowding in them. There are 1,536 housing authorities in England and Wales, and returns have been received from 96 per cent. of them. Since the authorities who have reported include within their areas 99 per cent. of the whole community, these returns may be taken as indicating the position throughout the country in relation to overcrowding. But it will have been observed that the standard set up by the Act is not a high one. For it must be remembered that the living-room is counted as a potential bedroom; in consequence, either the living-room never gets proper ventilation or it will often be difficult to separate the sexes adequately. This fact is widely recognized; it is acknowledged in an official memorandum that 'this standard does not present any ideal standard of housing, but the minimum which in the view of Parliament is tolerable, while at the same time capable of immediate and early enforcement'.¹² Bearing in mind the limited meaning of overcrowding when applied to the results of these surveys, we note that, out of the 8,924,523 dwellings inspected, 341,554 were found to be overcrowded, so that 3·8 per cent. of families were living in overcrowded conditions. When the different classes of local authority are considered, it appears that 7 per cent. of families in the metropolitan boroughs (and city of London), 4·2 per cent. in county boroughs, 3 per cent. in non-county boroughs and urban districts, and 2·9 per cent. in rural districts were overcrowded.¹³

Since in the course of making these surveys a large amount of information was collected concerning the size of houses and the number of persons living in them, it is possible to calculate how much overcrowding there would be if the standard were raised. Thus it has been shown that, if a standard were used which lies in between the statutory standard and the standard of two individuals per normal-sized bedroom together with independent living-room accommodation, the number of overcrowded families would be raised from 341,000 to 853,000.¹⁴ It is further relevant to note that, if the standard of overcrowding were raised so as to reduce the 'permitted number' of persons per dwelling by ten per cent., the result would be to increase the number of overcrowded families by 380,000.¹⁵

Finally, we may attempt to fill the gap due to the fact that the latest census figures refer to 1931. The problem in mind is that of the housing shortage, and it is interesting to ascertain how far a shortage still exists. The shortage was observed before the war and seems to date from about 1911. This does not imply that housing conditions were satisfactory in 1911 but only that accommodation, however deficient in quality, was not seriously deficient in quantity. During the war building almost ceased; in London there was a net addition of only 30 houses in 1915-16.¹⁶ By 1921 it had begun again, and between 1921 and 1931 building activity was intense. Table XVI enables us to observe the changes during these two decades. During the first decade, while the number of occupied dwellings increased by 7 per cent., the number of families increased by 10 per cent.; in consequence, the average number of families per occupied dwelling rose from 1.09 to 1.12. The increasing pressure upon accommodation is shown by the decrease in the number of vacant dwellings. During the following decade there was a large increase in the number of occupied dwellings, but this increase (16.8 per cent.) was not quite as large as that of private families (17.1 per cent.), with the result that the average number of families per dwelling in 1931 was the

same as in 1921, namely 1.12. On the other hand, there is some evidence of decreasing pressure in the fact that the number of vacant dwellings had risen substantially. It is also worthy of note that during these two decades the number of persons per occupied dwelling decreased in consequence of the diminishing size of the family, the figures being 4.93 in 1911, 4.85 in 1921, 4.17 in 1931.

Thus there was still a serious shortage of houses at the date of the last census—May 1931. But since that date, up to the end of March 1936, it appears that approximately 1,321,000 additional houses have been built. The question which arises is at what date the shortage will disappear if the rate of building which has been shown since 1931 continues. In order to attempt an answer to this question use may be made of the very interesting analysis of the position in 1931 which has been made by the Registrar-General. He set out to discover how many additional houses would be required by 1941 if by that date the shortage were to be brought to an end. A total population in 1941 of 41 millions was assumed, and the additional number of houses required for a population of that size was estimated at 1,700,000 on the following basis:

1. To house the excess of population in 1941 over the 1931 total on the 1931 standard	770,000
2. To re-house families dispossessed from dwellings demolished under slum clearance and analogous schemes	300,000
3. To reduce overcrowding resulting from shared houses and to provide separate houses for those who want them	250,000
4. To provide an adequate number of vacant houses to permit of mobility	250,000
5. To make up for dwellings destroyed by the encroachment of industry and for dwellings converted and subdivided and similar changes	130,000
	<hr/> 1,700,000

Two comments may be made about this estimate. The first concerns the figure of 300,000 houses for those dispossessed by the operation of slum clearance schemes. The Registrar-General gets this figure by taking the number of houses included in the clearance schemes prepared by the local authorities under the Act of 1930. But it does not follow that, when these houses have been demolished and others built in their place, there will not remain houses which ought to be demolished. For the official standard of what constitutes a house due for demolition is at present low. If it were raised—if, for example, all houses which contain no bath and could not easily be adapted to contain a bath, were considered fit for demolition—the number to be destroyed, after the 300,000 had disappeared, might run into millions. The second comment concerns the question of the number of new houses needed to put an end to overcrowding. It has been ascertained, since the Registrar-General made his estimate, that, as mentioned above, there are 341,554 overcrowded dwellings. But it does not follow that this number of new dwellings is needed to abolish overcrowding as defined by the Act of 1935. For many houses are not filled to capacity; indeed it appears that 46 per cent. of all working-class families are so housed that the number of persons in each family could be doubled without causing overcrowding in the statutory sense.¹⁵ Therefore some overcrowding could be relieved by a redistribution of families. Consequently the figure of 250,000 new houses, given by the Registrar-General as required to put an end to statutory overcrowding is probably adequate. But, as in the case of houses due for demolition, the standard of overcrowding is at present low, and it must be recognized that, if the standard were raised, the number of new houses needed on this account would be greatly increased.

Since about 1,321,000 houses were built between 31st March, 1931, and 31st March, 1936, it follows that the 1,700,000 new houses, which the Registrar-General finds to be required by 1941, will have been provided long before that date. But his estimate is reached by adopting

the official standards of what constitute a bad house and of what constitutes an overcrowded house. If our standards rise, as they undoubtedly should, there will still be need for hundreds of thousands of new houses in 1941.

TABLE XV¹⁷

*Change in Number of Dwellings and Private Families
England and Wales, 1911 to 1931*

	Increase or Decrease 1911-21		Increase 1921-31	
	Amount	%	Amount	%
Structurally Separate Dwell- ings occupied	+491,610	+ 6.7	1,312,249	16.8
Structurally Separate Dwell- ings vacant	-215,215	-49.6	57,423	26.2
Private Families	+796,060	+10.0	1,493,942	17.1
Excess of Private Families over Occupied Dwellings	+304,450	+48.8	181,693	19.6

III

POPULATION: DISTRIBUTION

IN the last chapter an attempt was made to answer the question how the population of this country is housed. We now ask how the houses are distributed. If they were equally distributed over the country there would be no need to put this second question. It is a familiar fact, however, that houses are not evenly spread. There are dense aggregations of houses forming urban districts. If, on a map of England and Wales the urban districts are somehow distinguished, the country looks like a vast archipelago, these districts standing out in the form of irregularly shaped islands in a sea of country. The study of distribution clearly involves a study of the extent to which the population of the country is living in these densely peopled areas. What percentage of the population, for instance, are town dwellers? But this is not all. A glance at such a map as that described above shows that the islands are not equally distributed. In some parts of the country islands are few and far between; in others there is more dry land than sea. Therefore, in addition to studying the degree of urbanization, we have also to study the geographical spread of urbanization.

The official distinction between urban and rural districts is based upon local government areas. Rural districts are those under rural district councils. In 1931 about 33 million acres of England and Wales were classed as rural and $4\frac{1}{2}$ million acres as urban.¹ There were on the average 7·1 persons per acre in urban districts and 0·2 persons per acre in rural districts. It is not, however, the fact that people are so closely packed in urban areas which is remarkable; it lies in the very nature of towns to be more crowded than the country. The remarkable feature of the position in England and Wales is the high proportion of persons who either from choice or necessity live in towns and the small proportion who live in the country. No less than

80 per cent. of the population of England and Wales in 1931 were living in urban areas.² To an extent that the world has never seen before, we are a nation of town dwellers. To the fact that the typical English household lives in its own separate house we can add the fact that this house is usually in a town. A small house in a large town, only too often ugly and smoke laden, is now the typical home of the Englishman.

The official method of distinguishing between town and country dwellers tends somewhat to exaggerate urbanization. Those living in small boroughs like Abingdon, for example, with a population of a little over 7,000 and surrounded on all sides by a wide belt of farm land, often regard themselves, and are regarded by others, as living in the country. Again, many persons who move out of some large town such as Liverpool and go to live within the area of an urban district council, that of Hoylake perhaps, regard themselves as having escaped from the town into the country. Evidently some further analysis of those officially regarded as town dwellers is required. Even if we could subtract from the official urban population all those not ordinarily regarded as town dwellers, the remaining urban population is aggregated in units of very different sizes. Clearly what we want to know is the total population living in towns of different sizes. This information is given in Table XVI.

Armed with figures such as these it is possible to read off the percentage which the urbanized part of the population forms of the whole, according to the definition of urbanization adopted. There are 113 towns with a population of 50,000 and over, and if an aggregation of 50,000 is held to constitute urban conditions, then approximately one-half of the population is urbanized. Any definition must be arbitrary. It may be allowed, perhaps, that those who live in towns of 100,000 and over are for the most part shut off from any continuous contact with country conditions. They pass their lives in man-made surroundings—the fields are no longer visible at either end of the main street. About 40 per cent. of the population live

TABLE XVI³
Urbanization
England and Wales, 1931

<i>Area</i>	<i>Number of Towns or Districts</i>	<i>Popula- tion (000s)</i>	<i>Per cent. of Total Popu- lation</i>	<i>Cumula- tive Per- centage</i>
<i>Large Towns.</i>				
Population over 1,000,000	2	5,400	13.5	13.5
" 500,000 & under 1,000,000	3	2,134	5.3	18.8
" 250,000 " 500,000	8	2,614	6.6	25.4
" 100,000 " 250,000	38	5,740	14.4	39.8
" 50,000 " 100,000	62	4,356	10.9	50.7
<i>Small Towns and Urban Districts.</i>				
Population under 50,000	1,007	11,708	29.3	80.0
<i>Rural Districts</i>	645	8,000	20.0	100.0
Total	1,765	39,952	100.0	

in 51 towns of this size and over; another 40 per cent. live either in towns of a smaller size or in urban districts; and the remaining 20 per cent. live in the country. This is possibly the most useful broad classification of urbanization that can be made.

Nothing has yet been said as to the geographical distribution of the population. It is common knowledge that certain parts of the country are agricultural and therefore sparsely populated, while other parts are industrial and therefore densely populated. It is easy enough to give illustrations, but difficult to discover any satisfactory method of representing the situation in the country as a whole. Some figures found in the census are of value in this connexion. In the census the whole country was divided up into eleven geographical regions, seven of which are predominantly industrial, where there is in consequence a marked concentration of population.⁴ They are as follows:

- (1) South-east, comprising London and the five surrounding counties with Bedfordshire, Berkshire, Buckinghamshire, Oxfordshire, Southampton, Sussex, and the Isle of Wight.
- (2) North 1, comprising Durham and Northumberland.
- (3) North 3, comprising Yorkshire West Riding and York county borough.

- (4) North 4, comprising Cheshire and Lancashire.
- (5) Midland 1, comprising Gloucestershire, Herefordshire, Shropshire, Staffordshire, Warwickshire, and Worcestershire.
- (6) Midland 2, comprising Derbyshire, Leicestershire, Northamptonshire, Nottinghamshire, and the Soke of Peterborough.
- (7) South Wales, comprising Brecknockshire, Carmarthenshire, Glamorganshire, and Monmouthshire.

The population of these areas² amounted in 1931 to the following totals:

<i>Region</i>	<i>Population (000s)</i>		<i>Total</i>
	<i>Males</i>	<i>Females</i>	
1	6,336	7,142	13,478
2	1,113	1,130	2,243
3	1,656	1,782	3,438
4	2,897	3,230	6,127
5	2,183	2,345	4,528
6	1,153	1,220	2,373
7	958	940	1,898
	16,296	17,789	34,085

The inhabitants of these regions form about 85 per cent. of the total population of England and Wales, while the areas of the regions together comprise only 55 per cent. of the surface.⁵ This affords a further illustration of the unequal distribution of population in this country. It would of course be easy to select different regions, the areas covered by the great towns only for instance, and to show that many millions live upon a tiny fraction of the surface. But this was not the object in view in selecting these regions. The object was to show where the great concentrations of population are found, and it will be seen that six out of the seven regions lie north of a line joining the mouths of the Severn and the Humber. Only one region, that of the south-east including London, lies south of this line. The emergence of this region as an industrial area is recent; two decades ago there was little industry in the counties adjacent to London, and London itself was administrative and commercial rather than

industrial. The occupational type of the seven main industrial regions is indicated in the following table:

TABLE XVII⁶
*Occupational Type of the Chief Industrial Regions
England and Wales, 1931*

<i>Geographical Region</i>	<i>Proportion per 1,000 Males over 14 Years of Age, occupied in:</i>						
	<i>Agri- culture</i>	<i>Mining and Quarry- ing</i>	<i>Metal Work- ing</i>	<i>Textile Work- ing</i>	<i>Manufacturing and Other Productive Occupations*</i>	<i>Trans- port</i>	<i>Com- merce</i>
England & Wales	76	66	92	21	179	107	100
London and S.E.	60	2	67	1	203	125	121
Northern (1)	35	242	119	1	124	96	75
" (3)	37	140	118	70	161	80	93
" (4)	37	39	99	70	161	119	105
Midland (1)	76	55	169	6	201	87	87
" (2)	73	145	86	37	212	80	86
Wales (1)	47	293	89	1	98	101	79

* This group comprises the Industrial Census Orders IV to XXI excluding Metal and Textile Working.

These seven great industrial areas cover between them, as we have seen, little more than one-half of the area of England and Wales, and it is desirable to obtain a picture of the distribution of the population in the country as a whole. For this purpose reference may be made to what is known as 'regionalism'. Those interested in regionalism point out that the whole country tends to fall into regions or provinces. The seven great industrial areas, for instance, may be regarded as regions in themselves. They further note that for administrative purposes government departments, such as the Board of Education and the Ministry of Labour, and unofficial national associations like trade unions already divide the country into regions. The new universities agree as to the regions which they respectively serve, and there are some who even hope to see a reorganization of local government upon a regional basis. It is most unlikely that any such form of government will come about by a single act of creation. That is not how changes occur in this country. But recent developments, such as the setting-up of joint regional

planning committees and other joint boards, suggest that a gradual reorganization of local government on regional lines is by no means improbable. With these programmes and these developments we are not here concerned. What do interest us are the attempts to divide the country into some dozen large regions, because they create more or less successfully just such a picture of the distribution of population as we are seeking.

A glance at the literature of regionalism makes it appear that there are two main schools of thought among those who have given attention to the matter. There are those who are moved chiefly by geographical considerations. They would like to discard the existing local government areas and redraw the boundaries so as to make them follow watersheds rather than cut across valleys. There are, on the other hand, those who attribute so much importance to the sentiments gathering round counties and other existing divisions that they propose to base the regions primarily upon groupings of counties. The one school lays stress on physical and the other lays stress on human considerations. This is no place to discuss the respective merits of the different types of scheme, but, because of its simplicity for illustrative purposes, we may make use of the second principle to show how such a division of England and Wales might work out.

Any scheme founded upon county areas would no doubt involve some modification of those areas, because existing county divisions are often very inconvenient for administrative purposes; but we need not concern ourselves with these complications. One scheme divides the country into eleven provinces or regions as in Table XVIII. Names have been given to the provinces, possible capitals are indicated, and universities and university colleges falling within the boundary of each province are shown. It will be observed from the last column but one in the table how nearly the eleven geographical regions recognized in the census correspond to the provinces in this scheme.

The table is intended merely to provide a picture of

the geographical distribution of the population. It is easy to criticize the choice of regions and the allocation of certain counties to particular regions, of Cumberland and Westmorland to Northumbria, for instance. It will be noticed that the areas of the regions do not differ as widely as their populations, which is another indication of the concentration of population in certain areas. Four regions are mainly agricultural and have relatively sparse populations. The most densely populated region is Lancastria, and the most sparsely populated region is North Wales.

TABLE XVIII⁷*Regional Division of England and Wales*

<i>Province or Region</i>	<i>Area (ooo acres)</i>	<i>Population (ooo)</i>	<i>Capital (C) and University (U)</i>	<i>Counties</i>	<i>Nearest corresponding Census Geo-graphical Region*</i>	<i>Pre-dominating Industries</i>
Northumbria	3,419	2,571	C. Newcastle U. Durham	Northumberland Durham Cumberland Westmorland	N 1, 2	Coal-mining Shipbuilding Metals
Yorkshire	3,892	4,390	C. Leeds U. Leeds, Sheffield, & Hull	Yorkshire	N 2, 3	Coal-mining Metals Woollen
Lancastria	1,853	6,127	C. Manchester U. Manchester and Liverpool	Lancashire Cheshire	N 4	Cotton Metals Commerce Transport
West Midlands	3,211	3,742	C. Birmingham U. Birmingham	Staffs. Shropshire Herefordshire Warwickshire Worcestershire	M 1	Metals Pottery
West of England	4,381	2,312	C. Bristol U. Bristol and Exeter	Gloucestershire Somersetshire Devonshire Cornwall	SW	Agriculture

* The constituents of the seven more industrial regions, as defined for census purposes, have already been recorded. The four remaining more rural regions are constituted as follows: North 2 comprises Cumberland, Westmorland, and East and North Riding of Yorkshire; East comprises Cambridgeshire, Isle of Ely, Huntingdonshire, Norfolk, Rutlandshire, East and West Suffolk, and parts of Lincolnshire; South-west comprises Cornwall, Devonshire, Dorsetshire, Somersetshire, and Wiltshire; Wales 2 comprises the whole of Wales (including Anglesey) other than Wales 1.⁴

TABLE XVIII (continued).

<i>Province or Region</i>	<i>Area (000 acres)</i>	<i>Popula- tion (000s)</i>	<i>Capital (C) and University (U)</i>	<i>Counties</i>	<i>Nearest corre- sponding Census Geo- graphical Region</i>	<i>e Pre- dominating Industries</i>
Wessex	3,483	2,167	C. Oxford U. Oxford, Reading, & Southamp- ton	Dorset Hampshire Wiltshire Berkshire Oxfordshire	SW	Agriculture
Metro- politan	4,455	11,634	C. London U. London	London Middlesex Surrey, Kent Sussex, Herts. Bucks., Essex	SE	Commerce Transport Misc. Light Industries
East Midlands	2,456	2,391	C. Nottingham U. Nottingham	Notts., Derby Leicester Northants Rutland	M 2	Mining Lace Hosiery Boots and Shoes China
Eastern Counties	5,059	2,025	C. Cambridge U. Cambridge	Norfolk, Suffolk Cambs., Hunts. Beds., Lincs.	E	Agriculture
North Wales	2,065	532	C. Carnarvon U. Bangor	Carnarvonshire Merionethshire Montgomery- shire Flintshire Denbighshire Anglesey	Wales 2	Agriculture Slate- quarrying Coal-mining
South Wales	3,065	2,061	C. Cardiff U. Cardiff, Swansea, & Aberystwyth	Radnorshire Cardiganshire Pembrokeshire Carmarthen- shire Glamorganshire Brecknockshire Monmouthshire	Wales 1	Coal-mining Tin-plates Agriculture

IV

POPULATION:

CLASSIFICATION BY INDUSTRY

IT is obvious that the immediate cause of the peculiar distribution of population sketched in the last chapter is to be sought in the distribution of industrial facilities. Men congregate in towns because they can find employment there. It would be beyond the scope of this book to discuss why opportunities for employment are localized. In a general way, however, it is clear that, whereas facilities for conducting certain industries, agriculture for instance, are scattered more or less uniformly over the whole country, the facilities required for most industries are of necessity localized in certain areas. The latter is clearly the case in regard to coal-mining. Again, industries not dependent upon bulky raw materials tend to be localized in or near commercial centres. Distributive centres are found where there are good harbours or at inland nodal points. We are thus led to a discussion of the classification of the population by industry.

It is possible to classify men by the industry or by the occupation which they follow. A distinction is drawn by the census authorities between these two forms of classification. The difference is not merely technical: it is also recognized in everyday speech. We speak of accountancy as an occupation, but we recognize that accountants are to be found in most industries. Again, we speak of the mining industry, but we recognize that within it are to be found men following many occupations. But we encounter difficulties when we attempt to classify either industries or occupations, and some mention may first be made of these difficulties. We shall then be in a position to indicate the nature of the solution reached in relation to industrial classification and to discuss some matters connected with the numbers employed in various industries—the subject-matter of this chapter.

It is not easy to arrive at any satisfactory system of classifying either industries or occupations. There are three main principles used to classify industries—classification by the material worked upon, by the product, and by the process. If we speak of the cotton industry we are using the first method, if we speak of the gas industry we are using the second, and if we speak of the building industry the third. We do in fact speak of the cotton industry, the gas industry, and the building industry, and we do thus habitually employ different methods of classification. It would not be possible to use one method only. Let us suppose that we adopted the method of classifying by the material worked upon. We should then be under the necessity of dividing up those engaged in building according as they worked with steel, brick, stone, or wood. This would mean that our method of classification was doing violence to facts. Similar difficulties would be encountered if we attempted to employ any other one method of classification.

Classifications should not do violence to facts, and since industries are constituted on different bases this fact should be recognized in any attempt to classify them. The system of classification adopted by the census authorities takes these considerations into account; at the 1931 census the industrial classification was based upon the product made or the service rendered, whereas for occupations the primary classification was by material worked in, with subdivisions according to the process. In most countries the material worked upon is the determining factor in the early stages of manufacture, and the product in the later stages, while those industries which centre round a process are classified by the process. It is worthy of note that similarity in principle of classification does not involve similarity in detail, and unless this is borne in mind erroneous comparisons may be made between one country and another. In some countries, for instance, shipbuilding is included in the section Manufacture of Metals, Machines, and Implements, while in others it is included in Building.

Having settled the preliminary problem as to how industries and occupations should be classified, we are faced with the difficulty caused by the descriptions which people give of themselves when they fill in the census schedules. It is one thing to prepare a list of industries and another thing to allocate people to industries according to the information available. The information is often vague, and it may be far from clear to what industry or occupation the person filling up the schedule belongs. Some remarks by Dr. Schwarz-Lyon, quoted in the International Labour Office publication on *Systems of Classification*, illustrate this difficulty. 'Two individuals,' he says, 'may both return themselves as joiner or turner or weaver, but in the one case the worker may be a highly skilled worker and in the other a semi-skilled or unskilled worker. . . . A worker may quite correctly describe himself or herself as an "embroidery worker", but the difference between hand and machine embroidery is as great as that between a monk who transcribes the Gospels and the machine operator who prints them.' These difficulties must be faced, and so far as possible every occupied person allocated to an industry and to an occupation.

In Table XIX the total numbers of those engaged in each industry have been grouped under larger headings in order to give in summary form the results of classifying the occupied population by industry. All manufacturing industries, for instance, have been placed under one heading, and all extractive industries under another. For the most part the descriptive title given to each group indicates with sufficient clearness what industries are covered by the group. Commerce and Finance, however, may be misleading. It may suggest mysterious, select, and lucrative occupations, whereas within this group are included, among others, all shopkeepers and dealers together with their assistants. Personal Service includes, in addition to domestic servants, waiters and waitresses in restaurants, theatre attendants, and all those who in one way or another minister by personal attention to the wants of others. Those engaged in personal service are thus not by any

TABLE XIX¹

*Industrial Distribution of the Population
England and Wales, 1921 and 1931*

<i>Industrial Groups</i>	<i>No. Occupied*</i> (000s)		<i>Per cent. of All Occupied</i>	
	1921	1931	1921	1931
Manufacturing of all kinds	6,733	7,351	39·2	39·0
Extractive (Agriculture, Fishing, Mining, and Quarrying)†	2,396	2,196	13·9	11·7
Commerce and Finance (including all types of Dealing)	2,275	2,972	13·2	15·8
Transport and Communication (of People, Goods, and Messages)	1,203	1,288	7·0	6·8
Personal Service (including Hotels and Catering, but not Govt. and Local Authority)	2,047	2,424	11·9	12·8
Public Administration (Central and Govt.)	1,042	1,237	6·1	6·5
Professions	515	588	3·0	3·1
Defence	294	240	1·7	1·3
Gas, Water, Electricity	163	228	1·0	1·2
Entertainments and Sport	122	180	0·7	1·0
Other Industries or Industry not stated	388	149	2·3	0·8
All Industries	17,178	18,853	100·0	100·0

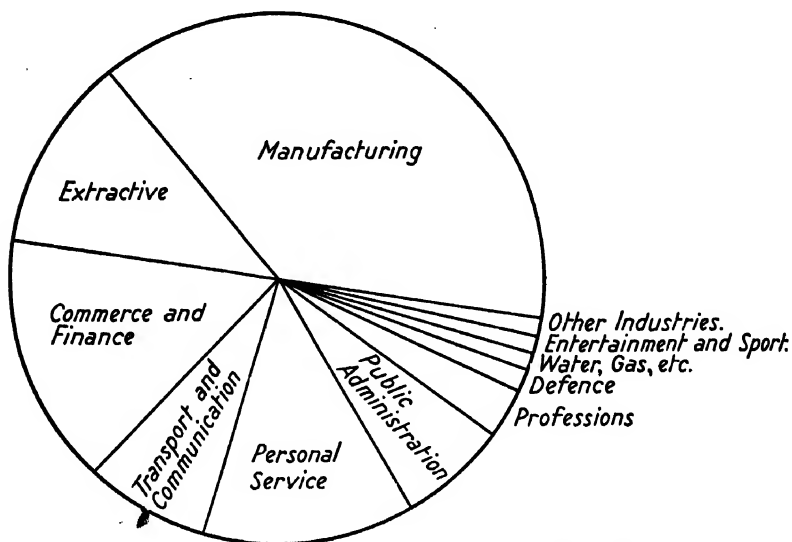
* Including those out of work.

† Treatment of Non-Metalliferous Mine and Quarry Products has been included under Manufacturing.

means all retainers of the rich. The definition employed here of what constitutes a Profession is a wide one, and includes nurses and others who would be excluded by the adoption of a more rigid definition. If the term was used to include only those engaged in the highly skilled professions of medicine, law, architecture, accountancy, and others of similar grade, the professional group would drop to the bottom of the list.

Broadly it may be said that in 1931, out of every 100 occupied persons in the whole country, 51, approximately one-half, were engaged in making and producing things: producing hay, corn and potatoes, sheep and oxen on the land; fishing for salmon, plaice, and herring in the sea; burrowing in the interior of the earth for coal and iron; fashioning wood and metal in workshops into machinery, furniture, and ornaments; weaving cotton and wool into fabrics in the mills; building houses, manufacturing

clothes, boots, crockery, implements, toys, every imaginable and unimaginable thing. Twenty-three out of every 100, nearly one-quarter of the total, were engaged in buying and selling, whether wholesale or retail, and in



Industrial Distribution of the Population, England and Wales, 1931.

moving, by road, rail, or water, all these things—when made or in the raw state—to warehouses, shops, and houses as required; this group also includes all people concerned with finance and insurance. Thirteen out of every 100 were told off to wait upon or prepare food, drink, and sometimes lodging for the other workers and for the idlers—in short, to provide for their bodily needs and comforts. Six out of every 100 were engaged in making and improving regulations under which the production and distribution of goods and services could be carried on in an orderly fashion, and in organizing other communal activities. Three out of every 100 were ministers, doctors, nurses, teachers, lawyers—all that group whose function it is to look after the health and the mental and moral welfare of the community. One out of every 100 was enrolled for the defence of the State against

aggression, and one to maintain essential supplies of gas, water, and electricity.

Such in outline was the position in 1931. Table XIX permits a comparison with 1921, and we find that, whereas the relative importance of the extractive and manufacturing industries taken together has declined, that of other industries has increased. The increase has been especially noticeable in commerce and finance, the services connected with the distribution of goods, and in personal service, that is to say in such services as those rendered by cinema attendants and waitresses. In other words, while the factory and workshop about hold their own as providers of occupation, the trend is away from the land, the mine, and the quay to the shop, the office, and the place of entertainment.

It will not escape the notice of any one looking at Table XIX that several of the headings indicate groupings which are not usually regarded as industrial. Those engaged in Commerce and Finance, Personal Service, Public Administration, Professions, and Defence are not usually thought of as being engaged in industry. But this table, it must be remembered, attempts to group the whole occupied population according to an industrial classification, whereas, in fact, only part of the occupied population is engaged in industry in the more usual and narrower sense of the term. Manufacturing and extracting are the typical industrial processes in the ordinary sense. This fact forms a guide when we attempt to answer a question which is often put—What are our chief industries? The answer is given by taking the manufacturing and extractive groups and subdividing them without regard to the remaining 49 per cent. of the population who are not engaged in what is usually considered as industry.

In Table XX this analysis of the extractive and manufacturing industries has been made. The position of the agricultural industry is the most notable feature of the table. There was a time, not so very far distant, when it would have been thought remarkable if those engaged in agriculture did not outnumber those engaged in all other

TABLE XX^I

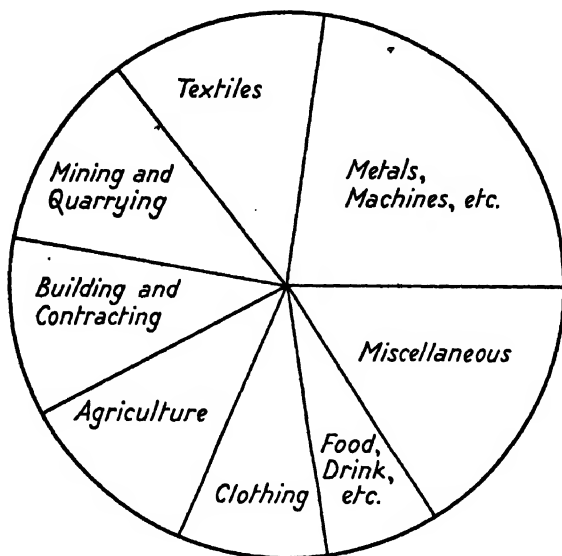
Extractive and Manufacturing Industries
England and Wales, 1921 and 1931

<i>Industries</i>	<i>No. Occupied</i> (000s.)		<i>Per cent. of</i> <i>All Occupied</i>	
	1921	1931	1921	1931
Manufacture of Metals, Machines, Implements, Conveyances; Jewellery and Watches	2,196	2,185	12.8	11.6
Manufacture of Textiles and Textile Goods (not Dress); Cellulose	1,154	1,186	6.7	6.3
Mining and Quarrying	1,232	1,137	7.2	6.0
Building, Decorating; Stone and Slate-cutting and Dressing; and Contracting	726	1,021	4.2	5.4
Agriculture	1,124	1,018	6.5	5.4
Manufacture of Clothing	806	833	4.7	4.4
Manufacture of Food, Drink, and Tobacco	541	617	3.1	3.3
Paper Making; Manufacturing of Stationery and Requisites; Printing, Bookbinding, and Photography	357	444	7.9	8.3
Woodworking; Manufacture of Cane and Basket Ware; Furniture, Fittings	262	276		
Manufacture of Chemicals, Dyes, Explosives, Paints, Non-Mineral Oils, Grease	198	217		
Manufacture of Bricks, Pottery, Glass	176	214		
Preparation of Skins and Leather; Manufacture of Goods of Leather and Leather Substitutes (not Boots or Shoes)	80	86		
Other Manufacturing Industries	185	211		
Treatment of Non-Metalliferous Mine and Quarry Products	52	61		
Fishing	40	41		
All Combined	9,129	9,547	53.1	50.7

industries put together. When agriculture ceased to hold this position, it was for some time the most important industry. Thus, in 1851 about one in four of the occupied male population of England and Wales was engaged in agriculture; but at the present day the proportion is about one in fourteen.² When, as in the table, extractive and manufacturing industries are ranked for 1921 and 1931 according to the number of persons engaged in them, agriculture is found to have dropped from the fourth to the fifth place; moreover it has not only lost relatively, including in 1931 5.4 per cent. of all occupied as against 6.5 in 1921, but also absolutely since the total number occupied has declined as well. The same is true of the other great extractive industry, namely mining and quarrying. Fishing, the remaining extractive industry,

POPULATION:

remains where it was—at the bottom of the list. While the extractive industries have declined, the manufacturing industries have advanced. But the advance has not been equally shared by all manufacturing industries. The



Relative Importance of Extractive and Manufacturing Industries,
England and Wales, 1931.

manufacture of textiles has made an absolute gain but has suffered a relative loss; if we were to make a more detailed analysis we should find that, whereas the manufacture of cotton goods had declined heavily, that of artificial silk and of other textiles had risen and about made good the loss. Like that of textiles the manufacture of clothing has held its position. It is when we come to the manufacturing industries of food, drink, and tobacco, of paper, printing, and bookbinding, of chemicals, dyes, and paints, of bricks, pottery, and glass, and of certain minor industries that we discover where the advance has been. The building industry shows the greatest advance of all, having moved up from the sixth to the fourth place; in 1931 it gave occupation to more persons than did agriculture.

To sum up, we may say that, when we allocate the whole occupied population to industries, we find a shift

away from extractive and manufacturing towards the distributive and personal service industries, and that, when we concentrate attention upon the former, we find a shift away from the extractive and first established manufacturing industries towards the newer manufacturing industries. The general trend is therefore away from industries demanding hard physical labour and towards industries where grime and sweat are not unescapable aspects of the day's work.

Too much importance, however, may be attributed to the place which an industry occupies in the list. If we write down in order of size the largest towns in England and Wales, Birmingham is found to be second, Liverpool third, and Manchester fourth. But the order is somewhat accidental—depending upon the suburbs which happen to be included at the time within the city boundaries. Similarly, the place occupied by any industry in Table XX depends in part upon how the border-line workers are treated, whether they are included within it, allocated to another industry, or classed separately. Classification by industry is, in fact, a very difficult matter and no wholly satisfactory solution can be expected. At each census the authorities responsible have to reconsider the basis of classification. They may make changes in order to improve the classification of industries which have been in existence for some time, and they may make changes in order to find a place for those engaged in new industries. These changes render comparison between the results of different censuses very difficult. Nevertheless, as we have seen, some important indications of the general trend of industrial evolution do emerge from a comparison of the results of the last two censuses.

Changes of the above kind are still in progress, but it will not be possible to obtain an accurate picture of them until we have the results of the census of 1941. It is of interest to observe that, coincidentally with these changes, there has been a marked alteration in the geographical distribution of persons engaged in industry in Great Britain. Between June 1923 and June 1935, for instance,

the number of persons insured against unemployment increased much faster in the southern than in the northern half of the country. Indeed, when account is taken only of insured persons in employment, it is found that between these dates the number of such persons increased by 27·6 per cent. in the south and decreased by 3·3 per cent. in the north; in this connexion the north includes Scotland, Northern Ireland, Wales, and the north-eastern and north-western divisions of England as recognized by the Ministry of Labour. In consequence of the increase in the south and the decrease in the north the percentage of all employed persons insured against unemployment resident in the northern half of the country fell from 53·5 per cent. in June 1923 to 46·5 per cent. in June 1935, whereas it rose in the south from 46·5 to 53·5 per cent.

These changes in the geographical distribution of employed persons insured against unemployment are so striking that the analysis may be pursued farther. If we take the period between June 1927 and June 1935 we find that there are a few industries which secured an increase in the north concurrently with a decrease in the south, such as the tailoring and the boot and shoe industry. There are also some industries which increased faster in the north than in the south, such as artificial silk and chemicals. But these changes which favour the north are far more than counterbalanced by changes which favour the south. In Table XXI are shown first those industries in which there has been an increase in the south and a decrease in the north, and secondly those in which there has been a greater increase in the south than in the north. It may be added that there are also industries in which there has been a decline in both north and south, but a much sharper decline in the former than in the latter; among them are coal-mining, shipbuilding, engineering, iron and steel, cotton, woollen and worsted.

With the results before us of attempting to make an industrial classification of the population in 1921 and 1931, we were led to examine the changes which have taken place. Let us now return to the 1931 classification,

TABLE XXI³

*Change in Numbers of Insured Persons in Employment
June 1927 to June 1935*

<i>Industry</i>	<i>South</i>	<i>North</i>
Food Industries not separately specified	+ 12,730	— 3,060
Stove, Grate, Pipe, &c., and General Ironfounding	+ 6,720	— 2,340
Commerce and Finance	+ 5,880	— 30
Iron and Steel Tubes	+ 3,740	— 1,990
Constructional Engineering	+ 3,290	— 470
Dressmaking and Millinery	+ 2,610	— 6,490
Rubber	+ 2,530	— 2,580
Glass (excluding bottles and scientific glass)	+ 2,350	— 240
Leather tanning, currying and dressing	+ 2,160	— 420
Saw-milling and machined woodwork	+ 2,110	— 1,640
Brass, Copper, Zinc, Tin, Lead, &c., manufacture	+ 2,060	— 1,830
Distributive Trades	+ 204,900	+ 107,200
Building	+ 70,940	+ 15,360
Hotel, Public House, Restaurant, Boarding House, Club, &c., Service	+ 55,900	+ 25,780
Electric Cable, Apparatus, Lamps, &c.	+ 46,220	+ 7,090
Metal Industries not separately specified	+ 36,140	+ 8,920
Motor Vehicles, Cycles, and Aircraft	+ 34,260	+ 4,800
Gas, Water, and Electricity Supply	+ 22,720	+ 1,090
Professional Services	+ 22,110	+ 11,220
Laundries, Dyeing and Dry Cleaning	+ 21,630	+ 6,850
Entertainments and Sports	+ 20,330	+ 17,350
Road Transport not separately specified	+ 20,050	+ 8,700
Public Works, Contracting, &c.	+ 13,840	+ 3,770
Furniture Making, Upholstering, &c.	+ 13,010	+ 3,340
Electrical Wiring and Contracting	+ 10,680	+ 5,400
Printing, Publishing, and Bookbinding	+ 10,480	+ 6,030
Brick, Tile, Pipe, &c., Making	+ 9,200	+ 2,470
Electrical Engineering	+ 8,950	+ 3,900
Cardboard Boxes, Paper Bags, and Stationery	+ 7,200	+ 1,110
Paper and Paper Board	+ 6,090	+ 1,790
Scientific and Photographic Instruments and Apparatus	+ 5,990	+ 810

for there are certain matters of interest to which no reference has yet been made. It seems very improbable that every industry employs the same proportion of young and old. Let us put this matter to the test. Table XXII includes all industries in which more than 200,000 males were engaged in 1931, and gives the percentage of male employees of each industry between the ages of 14 and 25, 25 and 55, and 55 and over. Table XXIII includes all industries in which more than 100,000 females were engaged, and makes a similar classification.

POPULATION:

TABLE XXII⁴
Industries in which Males Predominate
England and Wales, 1931
(Over 200,000 males occupied in each industry)

Industry	No. Occupied (000s)		Age Distribution of Males		
	M.	F.	14-	25-	55-
Defence	234	6	42.0	53.8	4.2
Electrical Installations, Cables, & Apparatus .	200	68	38.5	54.4	7.1
Woodworking, Furniture, Fittings, Cane and Basket Work	245	31	36.7	47.5	15.8
Distributive Trades	1,788	799	32.5	52.2	15.3
'Other' Metal Industries	228	84	31.3	54.6	14.1
Printing, Bookbinding, and Photography .	225	89	30.8	52.7	16.5
Building and Repair of Vehicles	342	41	30.0	59.4	10.6
Food	279	173	29.3	57.0	13.7
Founding and other Secondary Processes in Metal Working	237	23	27.4	57.0	15.6
Engineering (not Marine or Electrical) . .	432	36	26.1	58.2	15.7
Coal-mining	1,026	5	25.1	60.2	14.7
Agriculture	960	58	25.0	51.0	24.0
'Other' Commerce and Finance	298	87	24.8	60.4	14.8
Building, Decorating, Stone and Slate-cutting and Dressing, and Contracting	1,010	11	24.8	57.9	17.3
Road Transport	442	14	22.8	66.7	10.5
Professional	304	285	19.6	56.0	24.4
Gas, Water, Electricity	221	7	15.8	67.7	16.5
Central Government	245	80	11.5	75.6	12.9
Local Government	637	274	11.0	68.6	20.4
Railway Transport	482	14	10.9	73.4	15.7
All Industries	13,247	5,606	25.2	58.2	16.6

TABLE XXIII⁴
Industries in which Females Predominate
England and Wales, 1931
(Over 100,000 females occupied in each industry)

Industry	No. Occupied (000s)		Age Distribution of Females		
	F.	M.	14-	25-	55-
Miscellaneous Textile Products	137	63	55.4	40.3	4.3
Tailoring (including Waterproof and Leather Clothing)	164	121	53.5	41.4	5.1
Laundries, Job Dyeing and Dry Cleaning . .	126	36	52.7	37.6	9.7
Dress, Blouse, Shirt, &c., Making	207	16	49.8	42.0	8.2
Private Domestic Service	1,202	282	46.1	42.1	11.8
Manufacture of Wool, Worsted, and Shoddy .	128	100	41.3	52.6	6.1
Manufacture of Cotton	359	212	37.8	56.4	5.8
Restaurants, Boarding Houses, Hotels, Clubs	353	264	32.1	50.1	17.8
All Industries	5,606	13,247	46.8	44.5	8.7

A comparison of the two tables brings out the marked contrast as between men and women in industry regarded from the point of view of age. In six out of the eight chief women-employing industries 40 per cent. or more of the women are between 14 and 25. In only three of the twenty chief male-employing industries are more than 35 per cent. of the employees in the lowest age group. The explanation is obvious: as a rule women leave industry when they marry. In the cotton industry, however, as is well known, many married women find employment with the result that the proportion of women aged 25 to 55 is higher in this industry than in any other. On the other hand, the proportion of women aged 55 and over engaged in private domestic service and in restaurants, hotels, and boarding-houses is higher than elsewhere. This is due to the fact that it is easier for single women of relatively advanced age to maintain their places in these industries than in those which are centred in factories and work-shops.

Table XXII contains many points of interest. The comparatively new electrical and motor industries, the latter being included under building and repair of vehicles, contain a large percentage of young men and a small percentage of old men. The distributive trades also attract the young, but have less than the average number in the middle age groups. Men of middle age are found in relatively large proportion in rail and road transport, in gas, water, and electricity, and in central and local government. There are striking differences between industries in respect of the percentage of elderly men whom they employ. Twenty-four per cent. of the men engaged in agriculture are 55 years of age or over; if we disregard the professions, this is a far higher percentage than that found in any other industry. At first sight this is surprising, because agricultural work involves hard physical labour. But it is a healthy occupation; moreover it cannot be much speeded up and is not performed in gangs. Therefore an elderly man does not find himself unable to stand the pace.

So far we have discussed a division of industries according as to whether they are predominantly male or female employing. But an industry which employs more males than females may at the same time give much employment to the latter, and so also an industry which employs more females than males may give much employment to males. If we wished to make a complete list of industries employing over 200,000 males, we should have to transfer three industries from Table XXIII to Table XXII, and if we wished to make a complete list of industries employing over 100,000 females, we should have to transfer four industries from Table XXII to Table XXIII. It is a significant fact that every one of the industries in Table XXIII, and two of the industries in the previous table employing more than 100,000 females, are concerned either with clothes or food or with some form of personal service.

POPULATION: CLASSIFICATION BY OCCUPATION

THE occupation which a man follows is of more immediate importance to him than the industry in which he is engaged. It does matter much to a man that he is a clerk; it matters less to him whether he is a clerk in a shipping firm or in a wholesale merchant's office. Our next task is therefore to classify by the occupations which they follow those same persons whom in the last chapter we classified by the industries in which they are engaged.

Who are these persons? They are those who are technically known as the 'gainfully occupied', or in short as the 'occupied'. Now it is possible to be unemployed yet 'occupied', and to be very fully employed yet 'unoccupied'. This is so because the term 'occupied' is used by the census authorities in a special sense. The 'occupied' are in fact both the gainfully occupied and the would-be gainfully occupied. Married women, therefore, who are occupied but not gainfully so, are excluded. On the other hand, the unemployed who want employment are included. Let us now attempt to classify the 'occupied' by their occupations, leaving until later the question as to who the unoccupied, as distinguished from the unemployed, may be.

Something was said in the last chapter regarding the difficulties encountered when classifying either by industry or occupation, and these difficulties need not detain us farther. Using the census records, a broad classification of occupations has been made in Table XXIV for comparison with Table XIX of Chapter IV. It is surprising to find how little an occupational classification differs from an industrial classification. There are differences, but they are of no great magnitude. The occupational groups of Extraction and Manufacture have lower

TABLE XXIV¹

*Occupational Distribution of the Population**
England and Wales, 1921 and 1931

Occupational Groups	No. Occupied (000s)		Per cent. of All Occupied	
	1921	1931	1921	1931
Manufactures of all kinds	6,008	6,498	35.0	34.5
Extractive (Agriculture, Fishing, Mining, and Quarrying)	2,353	2,168	13.7	11.5
Commerce and Finance (including Shop Assistants, excluding Clerks)	1,559	2,071	9.1	11.0
Transport and Communication	1,484	1,635	8.6	8.7
Warehousemen, Storekeepers, Packers	351	411	2.0	2.2
Personal Service	2,016	2,390	11.7	12.7
Public Administration and Clerical	1,307	1,487	7.6	7.9
Professional	682	746	4.0	3.9
Defence	205	181	1.2	0.9
Entertainments and Sport	95	114	0.6	0.6
Other and Undefined	1,118	1,152	6.5	6.1
All Occupations	17,178	18,853	100.0	100.0

* Order XXI, defined as 'Gas, Water, and Electricity Undertakings' in 1921, has ceased to exist, and the workers concerned in 1921 have been distributed among the Extractive, Professional, and Other and Undefined Orders for comparison with 1931. Also, 673,000 'Other Unskilled Workers' with class of work specified have been transferred to Manufacturing in 1931 so as to conform to the 1921 tabulation.

totals than the industrial groups of the same designation. This is so because some of those engaged in the extractive and manufacturing industries are not in fact occupied in extraction or manufacture, and in consequence they appear under some other occupational heading, that of Clerks or Transport workers, for example. With regard to Transport and Communication it is the other way about. The occupational total is larger than the industrial total, because the carters, lorry drivers, and other transport workers engaged in various industries have been transferred to the Transport and Communication group in the occupational classification.

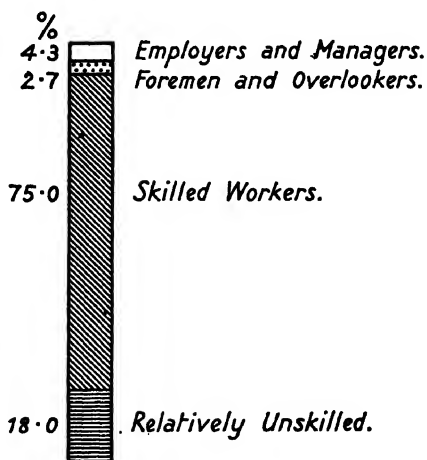
The figures show that from the occupational point of view Manufacture is predominant, but it is to be understood that the term is used in a wide sense; to include, for instance, the building of houses. One out of every three occupied persons is occupied with manufacture. Occupations which are in the nature of Personal Service,

and those connected with Extraction and with Commerce and Finance come next, but they are some way behind. Extraction and Manufacture together employ not far short of half the occupied population. In 1921 clerical workers in Central and Local Government service were included under the heading Public Administration. For comparability with 1931 it has therefore been necessary to combine these two classes in the table. Actually, the clerical group accounts for about one person in every fourteen of the total occupied. This fact, together with the predominance of Manufacture as compared with Extraction, constitute perhaps the most remarkable features of our industrial civilization.

Many other questions will readily suggest themselves, and to some of them an answer can either be found in or deduced from the census returns. It may be asked, for instance, what percentage of workers are skilled. This question, however, has no application to certain occupations. It is not usual to think of those occupied in retail dealing as divided into skilled, semi-skilled, and unskilled. In any case, if we do so apply these adjectives to retail dealing, they bear quite a different significance from that usually associated with them. It is, in fact, only to those engaged in extractive and manufacturing occupations that these terms are normally applied. But opinions differ so much as to how agricultural occupations should be graded that it is best to omit them from consideration. Therefore, taking into account manufacturing occupations, and among extractive occupations only mining and quarrying, we find that persons following these occupations are divided in the census into four chief groups. There is, first, the group of employers and managers (defined in 1921 as owners, agents, and managers), and secondly, that of foremen and overlookers (described in 1921 as foremen) and the remainder of the subordinate superintending staff. Thirdly, there is the group of skilled workers distributed into various classes and a residual class of 'other skilled workers' not otherwise distinguished. Finally, there is a group who do not follow any skilled calling and who may be regarded as

POPULATION:

relatively unskilled. These were usually classed simply as 'other workers' in 1921 under the industries with which they were associated, but at the last census the bulk of them have been included in a single group styled 'other



Classification by Occupational Function,
England and Wales, 1931.

unskilled workers (class of work specified)'. The distinction between skilled and unskilled is of course a difficult distinction to draw. The census recognizes no semi-skilled class. But the classification, such as it is, has been made with great care after consultation with trade-union officials and other persons with expert knowledge. Therefore the figures have considerable weight, and it appears from the following table that, if the first two groups are omitted and the wage-earners alone are considered, about 80 per cent. are skilled. Perhaps it would represent the facts more accurately to say that about 20 per cent. are unskilled and the remainder more or less skilled. The proportion of unskilled is higher in Mining and Quarrying than in the Manufacturing occupations.

The division into skilled and unskilled has no relevance, as we have seen, in relation to dealing. It is possible, however, to divide the three and a third million persons occupied in Commerce, Finance, Insurance, and Clerical Work (not Civil Service or Local Authority) in such a

manner as to show the proportions occupied in: (1) managing; (2) buying, advertising, and canvassing; (3) selling; and (4) clerical work. This has been done in Table XXVI. That Class I should form over a fifth of

TABLE XXV²

*Division of Workers into Directing and Subordinate Staff
England and Wales, 1931*

<i>Status or Grade</i>	<i>Manufacturing Industries</i>		<i>Mining and Quarrying</i>	
	<i>No. (000s)</i>	<i>Percentage</i>	<i>No. (000s)</i>	<i>Percentage</i>
Employers and Managers . . .	281	4·3	6	0·6
Foremen and Overlookers . . .	177	2·7	38	3·9
Skilled Workers . . .	4,875	75·0	718	74·1
Other Workers, relatively Un- skilled . . .	1,165	18·0	207	21·4
Total	6,498	100·0	969	100·0

the total is somewhat remarkable. The explanation is that it includes all managing shopkeepers. It is nevertheless surprising that the salesmen group should not be relatively larger. The great retail establishments with their huge staffs of salesmen presumably make so much of an impression on the mind that the multitude of small shops is forgotten. Table XXVII throws further light upon the occupation of retail dealing since it gives the number of those engaged in shops of different kinds. Clothing and grocery shops compete for the first place; butchers' shops come third, far behind the leaders but well in front of the remainder. If we add together those who are in all shops concerned with the sale of food, we find that they number over 600,000, whereas shops of all other kinds employ about 750,000.

There is another aspect of occupations upon which some light is thrown by the census. We hear much of 'nationalization'; though the meaning of this term is vague, it implies the taking of men out of the service of private employers. If it also implied the placing of men directly in the employment of the central government and of local authorities, it would be possible to say how far nationalization has gone up to the present; for we can obtain from

TABLE XXVI²

*Commercial, Finance, Insurance, and Clerical Occupations
England and Wales, 1931*

<i>Broad Description</i>	<i>Detailed Description</i>	<i>Number of Persons (000s)</i>	<i>Per cent. of Total</i>
Managing and Directing	<i>Commercial.</i> Proprietors, Managing Directors, Managers of Wholesale or Retail Businesses	651	22.0
	<i>Finance and Insurance.</i> Company Directors; Bankers, Bank Officials (Heads of Depts., Managers, Inspectors); Insurance Officials (Ditto)	41	
	<i>Secretarial.</i> Company Secretaries and Registrars; Heads or Managers of Commercial Office Depts.	56	
Buying, Canvassing, and Advertising	<i>Commercial.</i> Brokers, Agents, Factors; Buyers; Travelers; Canvassers; Advertising Agents	217	8.3
	<i>Finance and Insurance.</i> Stock Brokers and Jobbers; Insurance Agents and Brokers; Canvassers	65	
Selling in Shops and Otherwise	<i>Commercial.</i> Salesmen and Shop Assistants; Roundsmen and Van Salesmen; Costermongers and Hawkers; Newspaper Sellers	1,042	30.7
Clerical	<i>Clerical.</i> Costing and Estimating Clerks; Other Clerks*	1,267	37.4
Miscellaneous	<i>Commercial.</i> Other Occupations	32	1.6
	<i>Finance and Insurance.</i> Auctioneers, Appraisers, Valuers; Money Lenders and Pawnbrokers; Other Occupations	23	
	Total	3,394	100.0

* This class probably includes a considerable but unknown number of clerks and typists who do not properly come under the head of Commercial, Finance, or Insurance.

the census the number of those so employed. But these are not the only existing kinds of employment. Large numbers of persons are employed by such organizations as the Port of London Authority, the Mersey Docks and Harbour Board, the London Passenger Transport Board, the British Broadcasting Corporation, and the Marketing Boards. Such organizations are sometimes regarded as examples of nationalization. But the number of persons

TABLE XXVII³

*Numbers Engaged in Various Retail Establishments
England and Wales, 1931*

Trade	No. engaged (000s)	Trade	No. engaged (000s)
Textiles and Other Clothing	250	Ironmongery	31
Grocery and Provisions .	242	Drugs and Druggists' Sun-	
Meat	138	dries	31
Greengrocery	75	Coal	29
Sweets	57	Bread and Flour, Confec-	
Paper, Books, &c. . . .	56	tionery	27
Boots and Shoes	39	Tobacco	26
Milk and Dairy Products .	37	General and Mixed . .	70
Fish and Poultry . . .	35	Other	190
Furniture	31		

TABLE XXVIII⁵

*Government Service
England and Wales, 1931*

(A) <i>Employed by the Central Government</i>			
(000s)			
540 Males	or 4.1%	of All Occupied Males.	
90 Females	1.6	„ „ „ Females.	
630 Persons	3.3	„ „ „ Persons.	
(B) <i>Employed by the Local Authorities</i>			
(000s)			
844 Males	or 6.4%	of All Occupied Males.	
279 Females	5.0	„ „ „ Females	
1,123 Persons	6.0	„ „ „ Persons.	

employed by these organizations in 1931 is not available, and therefore, if they are held to be examples of nationalization, the number of persons employed by central and local government authorities, which is all that we can give, is not a full measure of nationalization. This is not the only difficulty which arises. Employment by consumers' co-operative enterprises is neither private employment in the ordinary sense of the word nor employment in a nationalized industry, however widely the latter term is used. Employment of this last type is in a class by itself. In

1931, 192,371 persons were employed by the Wholesale and Retail Consumers' Co-operative Movement in England and Wales.⁴

Therefore all that we can do, in order to throw light upon the extent to which nationalization now prevails, is to abstract from the census the number of those employed by the central government and the local authorities. The bare facts are easily stated. There were in 1931 almost exactly a million and three-quarter persons so employed. In other words the servants of the central government and of the local authorities form 9·3 per cent. of all occupied persons. This is a surprisingly high proportion. But, unless this figure is further analysed, it may be very misleading; for government service is a very wide term including, for example, administrative officials, elementary school teachers, post office workers, those enlisted in the defence services, those employed by local authorities in connexion with gas, water, and electricity works, buses and trams. But those who discuss nationalization, whether they approve of it or not, do not usually regard the defence services as examples of nationalization; indeed, the advocates of nationalization are usually opposed to an extension of the defence services, whereas the opponents are not. Therefore the figure of a million and three-quarters must be analysed, and this has been done in Table XXIX.

It emerges from this table that nearly 300,000 persons employed by the central government are either enlisted in the defence services or are engaged directly or indirectly in the manufacture of war material. These persons are therefore to be distinguished from other government servants. The police force, amounting to 62,000, also occupies a special place. The remainder are engaged either in education, the post office, local government enterprises, or in general administration. Critics of government employment are apt to harp upon the number of 'officials' which they declare to be excessive. It is impossible to define an 'official'. But if those engaged in the administrative and clerical business connected with such special services as the post office are omitted, the number engaged

in general administration is found to be under 50,000. Details are given in Table XXX.

TABLE XXIX⁵

*Detailed Analysis of Persons employed in Government Service
England and Wales, 1931*

Central Government			Local Government		
	(000s) M.	(000s) F.		(000s) M.	(000s) F.
Defence Services . . .	234	6.3	Tramway and Bus Service	75	1.8
Marine Engineering and Shipbuilding . . .	39	0.6	Harbour, Docks, &c. . .	32	0.8
Engineering (not marine) .	10	0.4	Gas Works . . .	30	0.6
Munition and Aeroplane Factories . . .	5	0.3	Water Works . . .	21	0.4
Others . . .	6	1.6	Electricity Supply . . .	45	1.1
Total of the Above . . .	294	9.2	Others . . .	3	0.1
Post Office . . .	153	54.2	Total of the Above . . .	206	4.8
Education . . .	2	0.6	Police† . . .	43	1.5
Others*. . .	110	26.0	Poor Law (employed in institutions) . . .	38	78.4
Total . . .	559	90	Education . . .	77	162.4
			Others‡. . .	461	31.9
			Total. . .	825	279

* Includes Civil Service Officials and Clerks.

† Report of H.M. Inspector of Constabulary for year 1931 gives Metropolitan Police Force, strength Dec. 31st, 1931, 19,452; this number is therefore transferred from the total under Police to 'Others' in Central Government Service.

‡ Includes Local Authority Officials and Clerks.

TABLE XXX⁶

*Number of Persons engaged in Public Administration
England and Wales, 1931*

(A)									
(000s)									
26.2 Male	Civil Service Officials and Clerks,	2.0 per 1,000 of All Occupied Males.							
1.6 Female	" " " "	0.3 " " " "						Females.	
27.8 Persons	" " " "	1.5 " " " "						Persons.	
(B)									
18.6 Male	Local Authority	" " " "	1.4 " " " "					Males.	
1.1 Female	" " " "	0.2 " " " "						Females.	
19.7 Persons	" " " "	1.0 " " " "						Persons.	

(A & B) Total Number of Officials and Clerks = 47,500,
2.5 per 1,000 of All Occupied Persons.

Before passing on to ask who are the unoccupied, reference may be made to a most interesting calculation due to Professor Cyril Burt and revised later by him with the assistance of Miss Spielman.⁷ In fairness to Professor Burt it should be said that he regards his results as purely

tentative. Occupations were classed into eight groups in descending order, according to the intellectual attainments necessary if the duties involved were to be adequately performed. Thus for occupations placed in Group 1 it was judged that higher intellectual qualifications are required than for those allocated to Group 2. As kindly described in a letter to us, the occupations given in the census were considered in turn and placed each in its appropriate group after very careful inquiry as to the work involved. In a few cases it was found necessary to split up those grouped together in the census returns because some of them were doing work which required greater attainments than were demanded of others in the same group. The inquiry was limited to adult males, and when the allocation of occupations to their several groups was completed, it was easy to ascertain from the census the number of persons falling within each group and to calculate the percentage which the number in each group formed of the whole number of occupied adult males, as follows:

TABLE XXXI

Occupations of Adult Males classified according to Intellectual Requirements

<i>Occupational Group</i>	<i>Percentage of all Occupied Adult Males</i>
1. Highest Professional Work (lawyers, doctors, higher administrative posts in State or business, university teachers)	0·1
2. Lower Professional and Technical Work (elementary teachers—clerks holding higher posts)	3·0
3. Clerical and Highly Skilled (clerks of lower grade and highly skilled labour)	12·0
4. Skilled Labour and Minor Commercial Posts (small tradespeople—shop assistants)	26·0
5. Semi-skilled Labour and Poorest Commercial Positions	33·0
6. Unskilled Labour and Coarse Manual Work	19·0
7. Casual Labour	7·0
8. Institutional Cases	0·2

This table should be read as showing that 3 per cent. of all occupied adult males were judged to be following occupations demanding what might be called second-grade intellectual attainments. They may actually not have possessed these attainments or they may have possessed greater attainments than were required. The above

table, for what it is worth—and its author attaches no great weight to it—points to the fact that a very small percentage of posts demand considerable intellectual attainments.

Who are the unoccupied? More than half the population is unoccupied in the technical sense. We may consider the sexes separately. No male under fourteen years of age is 'occupied'. If we subtract the total number of occupied males from the total number of males over fourteen, we have nearly $1\frac{1}{2}$ million males to account for.² Of them, 79 per cent. are shown in the census to be retired from some previous occupation, to be attending full-time educational courses, or to be engaged in some occupation outside the United Kingdom. This leaves about 290,000 persons still unaccounted for. Some of them no doubt are idle and some rich, and a small proportion both idle and rich. But no data are available for an analysis. There can be little doubt that the number of idle rich is smaller than often supposed, though this is of course no defence of their existence. The analysis of the unoccupied, so far as it can be carried, is given in the table below:

TABLE XXXII⁸

*Persons classed in the Census as Retired or Not Gainfully Occupied
England and Wales, 1931*

<i>Males</i>		<i>Number</i> (000s)	<i>Per cent.</i> <i>of Total</i>
Retired from previous gainful occupation (including the Defence Services)		803	58.0
Attending educational institutions, aged 14 years and over		278	20.1
Occupied outside the United Kingdom		13	0.9
Others, not retired and not gainfully occupied		292	21.0
		1,386	100.0
<i>Females (Single, Widowed, or Divorced)</i>		<i>Number</i> (000s)	<i>Per cent.</i> <i>of Total</i>
Retired from previous gainful occupation		152	4.9
Attending educational institutions, aged 14 years and over		248	8.0
Occupied outside the United Kingdom		2	0.1
Others, not retired and not gainfully occupied		2,696	87.0
		3,098	100.0

Of all Males, aged 14 years and over, the proportion not retired and not gainfully occupied = 2.0 per cent.

Of all Females, aged 14 years and over, who are single, widowed, or divorced, the proportion not retired and not gainfully occupied = 34.5 per cent.

When we turn our attention to the other sex we can omit both those under fourteen and those who are married. The latter are technically unoccupied, but for the most part very fully employed. This leaves us with slightly over 3 million single, divorced, or widowed females over fourteen. We can account for 400,000, as seen in the table, leaving nearly $2\frac{3}{4}$ millions unaccounted for. For the most part they are young unmarried women living at home. If it is considered that married women should not be 'occupied', then this group represents the largest untapped reservoir of labour power. Among these $2\frac{3}{4}$ millions there are probably relatively few idle rich women, but we are even farther from gaining any idea exactly how many there may be than we were in discussing the same question with regard to males. Those women who may be most justly numbered among the idle rich are married women with a retinue of servants and no children. There are, however, no data upon which even a guess as to their number can be based.

VI

INDUSTRIAL STATUS AND SOCIAL CLASS

WE found reason to believe that the occupation which a man follows is of more immediate importance to him than the industry in which he is engaged. Industrial status is of still greater importance. It makes all the difference to a man following the occupation of agriculture whether he is in the position of one who gives orders, say a large farmer employing many labourers; an independent worker, say a small-holder working his holding by himself; or an employee, say a labourer working for wages. Another classification of the occupied population into these three categories is therefore desirable. From the census we get the following table:

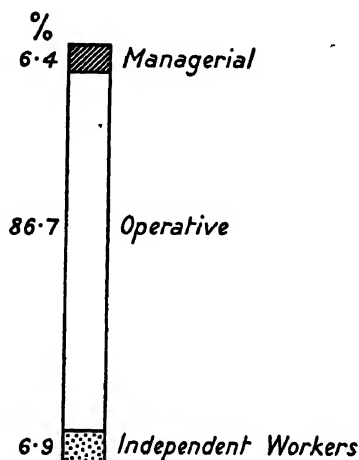
TABLE XXXIII¹
*Industrial Status of the Occupied Population
England and Wales, 1931*

Status	Numbers in Work (000s)			Percentage of Total in Work
	Males	Females	Total	
Managerial	922	138	1,060	6.4
Operative	9,806	4,664	14,470	86.7
Worker on own account	835	321	1,156	6.9
Total	11,563	5,123	16,686	100.0

Let us consider these three groups. The managerial group includes both the heads of great businesses with thousands of workpeople, and small shopkeepers with a single employed assistant. There may be something that all employers share in common, but if there is it does not cement them firmly together. The group is clearly of heterogeneous composition. The same may be said of the independent workers. Among these are included both successful free-lance professional men, doctors and barristers for instance, and independent artisans, such as the village cobbler in a small way of business and without an employed assistant. The members of this group have still less

60 INDUSTRIAL STATUS AND SOCIAL CLASS

in common. What is the position with regard to the employed? Among these, again, are included both men with salaries running into five figures, and casual labourers. Taken as a whole, this group is even less homogeneous



Classification by Industrial Status,
England and Wales, 1931.

than the other two. But it may be suggested that we have among the employed two distinct elements, the salaried and the wage-earning, and that, if they are separated, one of them at least may be found to exhibit a considerable amount of cohesion.

The census of population makes no distinction between the salaried and the wage-earning, but we have an estimate of the occupied population of Great Britain and Northern Ireland in 1924, due to Professor Bowley and Sir Josiah Stamp, divisible as follows:

TABLE XXXIV²

	<i>Men and Boys (000s)</i>	<i>Women and Girls (000s)</i>	<i>Total (000s)</i>	<i>Per cent.</i>
Wage-earners	11,000	4,400	15,400	76
Salaried	1,700	1,100	2,800	14
Independent Workers	900	400	1,300	6
Employers, Farmers, Professional	700	100	800	4
Total Occupied.	14,300	6,000	20,300	100

The salaried section is far from homogeneous. It includes a certain number of persons with very large salaries and many with salaries on a level with those of wage-earners. With regard to the wage-earning group matters are different. Here at length we do find a class exhibiting some homogeneity, and the homogeneity has increased of late years. There are three main reasons which account for the increasing consolidation of this section of the community. There is a tendency for all manual labourers to become semi-skilled machine-minders, and for highly skilled as well as unskilled workers to become relatively less important. The trade unions are being reorganized on industrial lines, and are admitting skilled and unskilled into the same organizations. There is, thirdly, less of a gap than formerly between the wages of the skilled and the unskilled. The existence of coherent self-conscious groups is of great importance in social life. We are approaching here the discussion of the existence of social classes, but before we enter upon this matter there are other points to which brief reference must be made.

The figures quoted in Table XXXIII for the distribution of the occupied population into three categories, render it simple to work out the ratio of operatives to managers. There are approximately fourteen operatives to each manager. But we should like to have, but cannot get, figures showing the numbers of groups of employees of various sizes. We should then know how many employees are members of large groups. This is an important matter, because the size of the group with which daily contact is made affects the outlook of those concerned. There may or may not be a herd instinct; herd emotions can certainly be roused, and the more easily, on the whole, the larger the group.

We can, however, calculate for what they are worth averages, not merely for the whole country, but also for the eleven geographical regions into which the country is divided. They work out as shown in Table XXXV.

It will be seen that the average number of operatives to managers is higher in the seven industrial regions than

62 INDUSTRIAL STATUS AND SOCIAL CLASS

in the four non-industrial regions. There are also considerable differences between one region and another.

TABLE XXXV³

Ratio of Operatives to Managers in Different Localities England and Wales, 1931

Region	Numbers in Work (000s)		Ratio of Operatives to Managers
	Managerial	Operative	
England and Wales	1,060	14,470	14
South-east and London . . .	383	5,211	14
North (1)	37	655	18
" (2)*	40	407	10
" (3)	80	1,292	16
" (4)	151	2,285	15
Midland (1)	111	1,674	15
" (2)	57	912	16
East*	59	596	10
South-west*	74	685	9.3
Wales (1)	37	553	15
" (2)*	31	200	6.5

* The regions starred are regions which are predominantly rural in character.

This analysis can be extended to different industrial groups. Details are given in Table XXXVI for persons engaged in ten different types of wholesale dealing as an illustration. While the figures in the tables are of a different order of magnitude, there is the same tendency revealed in both for the region North (1) to give high ratios and for the non-industrial regions to give low ratios, North Wales coming at the bottom. What is the relationship between such ratios as these and efficiency of management? This is a question that deserves more detailed investigation, and it might be followed up by an examination of conditions in different districts for groups of various types.

We have classified the occupied section of the population by industry, occupation, and industrial status, and we have just examined evidence bearing upon the ratio of groups whose industrial status is different. Have we omitted any important method of social classification?

Reflection calls to mind the existence of the professional class. A professional group was shown in Table XXIV which classified the population by occupation. When we come to analyse below the composition of the professional group shown in this table, we shall find that it omits civil

TABLE XXXVI³

Ratio of Operatives to Managers engaged in Wholesale Dealing
Differentiated according to Locality
England and Wales, 1931*

<i>Area</i>	<i>Ratio</i>	<i>Area</i>	<i>Ratio</i>
South-east and London	8.7	Midland (1)	8.6
North (1)	9.1	" (2)	5.3
" (2)†	6.3	East†	4.7
" (3)	5.6	South-west†	5.4
" (4)	7.3	Wales (1)	6.1
		" (2)†	3.9

* The types of business represented in this table include Sugar Confectionery, Tea and Coffee, Grocery and Provisions, Milk and Dairy Products, Meat, Fish and Poultry, Vegetables and Fruit, Tobacco, Drugs and Druggists' Sundries, Drapery, Hosiery, Millinery.

† Regions which are predominantly rural.

servants, local government officers, and others who have good claims to be ranked as professionals. For a profession may be defined as an occupation based upon specialized intellectual training, the purpose of which is to supply skilled advice and service to others in return for a definite fee or salary. Therefore this professional group is only part of the professional class, and it follows that, if we were to enlarge the former until it became coincident with the latter, we should have to re-classify the whole population. Such a proceeding would be in effect another kind of social classification in which the chief emphasis was laid upon the kind (e.g. mental or manual) and degree of skill possessed by each member of the population.

It is impossible to pursue farther the implications of this line of thought. It is enough to have brought out the importance of the professional group and to have shown that it deserves more analysis. We are indeed limited to the analysis of the group labelled 'professional' in Table

64 INDUSTRIAL STATUS AND SOCIAL CLASS

XXIV, since it is only concerning this group that we have details in the census. But this group does include all those who are generally regarded as the most typical professional workers—barristers, solicitors, doctors, teachers, accountants, and architects—as well as many others.

TABLE XXXVIII⁴
Professional Occupations
England and Wales, 1921 and 1931

<i>Occupations connected with</i>	<i>Nos. Occupied (000s)</i>				<i>Per cent. of Total</i>	
	<i>M.</i>	<i>F.</i>	<i>Total</i>		<i>1931</i>	<i>1921</i>
Teaching	84	200	284	278	38	42
Medicine and Care of the Sick	73	154	227	171	31	26
Religion	44	15	59	56	8	8
Consultant Engineering, Analytical Chemistry, and other Sciences.	61	3	64	38	9	6
Law and Accountancy	33	0	33	25	4	4
Art and Architecture	20	6	26	23	3	3
Writing and Publication	19	7	26	16	3	2
Other Professional Occupations	10	4	14	12	2	2
Articled Clerks, Pupils, and Other Students	13	0	13	48	2	7
Total	357	389	746	667	100	100

The total number of professional workers recorded in the census of 1931 is impressive since it amounts to three-quarters of a million. But it is only 4 per cent. of the occupied population. Nevertheless the total for 1931 exceeds by some 80,000 the total for 1921, and since this increase is proportionately more than the increase in the occupied population, the percentage which the professional group forms of the occupied population is growing. An examination of the table shows that an increase is evident in almost every class of professional worker. One remarkable feature is that women are found to outnumber men. This is due to the fact that teachers form approximately 40 per cent. of the total and that the majority of teachers are women. Since the remuneration and status of the professional workers included in the table vary markedly, a further analysis is desirable. It is possible to attempt to separate the more highly skilled from the less

INDUSTRIAL STATUS AND SOCIAL CLASS 65

highly skilled, and the division thus made is also a separation into the more and the less highly paid.

TABLE XXXVIII⁴

*Professional Occupations Classed according to Skill
England and Wales, 1931*

<i>More highly skilled</i>	<i>M.</i>	<i>F.</i>	<i>Less highly skilled</i>	<i>M.</i>	<i>F.</i>
Clergymen, Priests, Ministers, &c. . .	34,259	8,784	Itinerant Preachers .	4,207	5,632
Barristers, Solicitors .	18,743	195	Officials of Religious Societies and Churches, Chapels, &c.	5,271	628
Physicians, Surgeons, &c.	26,490	2,810	Midwives	—	6,547
Dentists	11,092	394	Sick Nurses and Sub- ordinate Medical Service	22,063	130,898
Veterinary Surgeons, &c.	2,180	84	Mental Attendants .	11,306	13,214
Teachers (Certificated, College trained and others)	72,334	126,307	Teachers (not Certifi- cated or not College Trained; Supple- mentary) ⁵	7,131	55,499
Consultant Engineers .	35,585	205	Teachers of Music .	4,881	17,754
Architects; Ship De- signers, Naval Archi- tects	10,087	186	Laboratory Attendants	7,942	1,642
Chartered Accountants, &c.	13,825	119	Political Association Officials	1,248	366
Analytical Chemists, &c.	14,486	568	Industrial and Trade Assocn. Officials .	3,007	150
Others engaged in Scientific Pursuits .	3,184	469	Social Welfare Work- ers	3,859	3,389
Articled Clerks, &c. .	13,424	553	Other Professional Occupations . . .	1,312	625
Authors, Editors, &c. .	15,824	3,213			
Painters, Sculptors, &c.	10,236	5,689			
Librarians	2,750	3,439			
Total	284,499	153,015	Total	72,227	236,344
	437,514 58%			313,571 42%	

Opinions will vary as to the justness of some of the allocations in this table, though it cannot be denied that in general it does represent a division into more and less skilled. The more skilled form 58 per cent. of the total. Some may hold that the division of teachers as adopted is not satisfactory, and that it would represent the facts better to place all elementary teachers among the less highly skilled. Because of such possible difference of opinion, and the relatively large influence of teachers on the result, it may be well to see what the effect is when they are

66 INDUSTRIAL STATUS AND SOCIAL CLASS

omitted altogether from both lists. The proportion which the highly skilled then form of the total drops to 48 per cent. Taking the division as given in the table, we find that 65 per cent. of the highly skilled professionals are men, or putting it in another way, out of every three highly skilled professionals two are men and one is a woman. Women form 76 per cent. of the less highly skilled professionals, and among them a very substantial proportion, numbering something like 130,000, are nurses. There are, in fact, among every four less skilled professionals more than three women to every man.

We have employed various methods of classifying the population and no methods as yet used have brought to light the existence of social classes. It may be pointed out that we have not classified the population by amount of income or possession of wealth. We do not underestimate the importance of differences in these respects; in fact, we devote more than one later chapter to these subjects. But since incomes and holdings of property are continuously graded, it is clear that amount of income and holding of property cannot of themselves form the basis of classification into anything in the nature of discontinuous social classes. We may distinguish between those above and those below the income-tax level, but the distinction is arbitrary and obviously does not correspond with true class distinctions. Marked differences in the average income and the average holding of property as between one group and another, the difference between the groups being based on some other criterion, may supplement the more fundamental distinctions which serve to identify these groups. That is the only importance which can be attributed to income and property in any attempted definition of social classes.

In the search for these more fundamental distinctions we may examine two well-known attempts to classify the population into social classes. The late Mr. Charles Booth classified the inhabitants of East London into eight such classes.⁶ A glance at this classification, however, shows that it is based upon income. The four higher classes are

stated to be above the 'poverty line'. For the reasons already given, however interesting and valuable this work may be as a contribution to the study of the distribution of income, it reveals no method omitted by us whereby social classes may be distinguished. Much the same may be said of the classification by the Registrar-General in his report for 1911 of the population into five social grades.⁷ These grades were: (1) upper and middle, (2) intermediate, (3) skilled, (4) intermediate, and (5) unskilled. The kind of people a man associated with in everyday life was the criterion used to decide into what grade he should go. In consequence the grading was not quite what it would have been had income alone been considered. All shopkeepers, for instance, were placed in Class II, though some must have had larger incomes than many in Class I, while others must have had incomes no higher than many in Class III. In so far as this classification does depart from an income classification it is not based upon any clear principle of fundamental importance omitted by us.

It is useless to continue the search because it is certain that no measurable characteristic exists which allocates the population into social classes and of which the statistician can make use. But this does not prove that social classes do not exist. Nevertheless, we hear much less often than formerly of 'upper', 'middle', and 'lower' social classes. At one time many factors conspired to produce an 'upper' class with characteristics sufficiently definite to enable it to be recognized. As to the 'middle' class, it never was anything more than a heterogeneous assemblage of very diverse elements. It is true that a 'working class' remains; it is named, we may note, in the Housing Act of 1935. This class is characterized by the weekly cash wage payment and by a greater degree of uncertainty about future employment than faces other members of the community. But, waiving the fact that this class is far from homogeneous, is it not a misreading of the social structure of this country to dwell on class divisions when, in respect of dress, speech, and use of leisure, all members of the community are obviously coming to resemble one another?

VII

OCCUPATIONAL ASSOCIATIONS

AT one period in the history of this country occupational associations in the form of guilds or corporations were an important feature of social organization. They ceased to play a part of any importance in the eighteenth century. During the last century occupational associations again emerged, though in a new shape, and are coming to assume a position of great significance. There is now scarcely any clearly defined occupation among the followers of which there is not some form of association, though it may include only a small minority of those eligible for membership. Wherever we look, whether among wage-earners, higher civil servants, journalists, factory welfare workers, or midwives, we find occupational associations.

The associations we have in mind have always among their objects the status and remuneration of their members whether or not they have also other aims such as the study and promotion of a craft. Thus they are built around those two aspects of a man's position in society which we have found to be of most importance to him, namely his occupation and his industrial status. The occupation may be skilled or unskilled; it may involve work chiefly by hand or chiefly by brain. Let us see what associations are excluded by this definition.

There are many associations which are concerned only with the study of a subject or with the development of a technique. Thus the British Association for the Advancement of Science has the object indicated by the title, and does not deal with the status or remuneration of scientific workers. Many occupational associations of the kind that we shall later distinguish as professional associations are closely concerned with the study and promotion of a subject. This in itself does not exclude them from consideration here, but it is sometimes difficult to say whether their

interest in status and remuneration, which is the criterion we have adopted, is sufficiently strong to warrant their inclusion. There is another class of association that we may call trading associations, the members of which are employers who co-operate to bargain with employees, to regulate prices, and for other purposes. They are excluded here on the grounds, first, that no defined occupation is common to the members, and second, that joint action for the purpose of bargaining with employees and fixing prices is wholly distinct from joint action by members of an association to safeguard or improve their own status and their own fees or salaries. Again, there are a very large number of associations the members of which have a common interest in religion, a political programme, or a social activity. Many occupational associations have political or social objects in addition to their other interests, and we exclude here merely such associations as have only political, religious, or social objects.

What then are the associations to be included? They fall into two groups. There is the group of what we may call professional associations, and the group which includes what are commonly known as trade unions. Members of the British Medical Association have a common occupation and are much concerned with their status and remuneration. The same applies to members of the Royal Institute of British Architects and of the National Union of Teachers. By definition, therefore, these and other similar professional associations are occupational associations and are included together with trade unions in the same category. Is there not something absurd, it may be objected, about a method of classification which puts these professional associations and trade unions in the same class? What greater contrast is there than that between professional men and trade unionists in social outlook and political objectives? This may or may not be admitted. In any case the objection is beside the point. We are not classifying men by social outlook or political views. We have adopted for our present purpose a particular definition of an occupational association, and if we

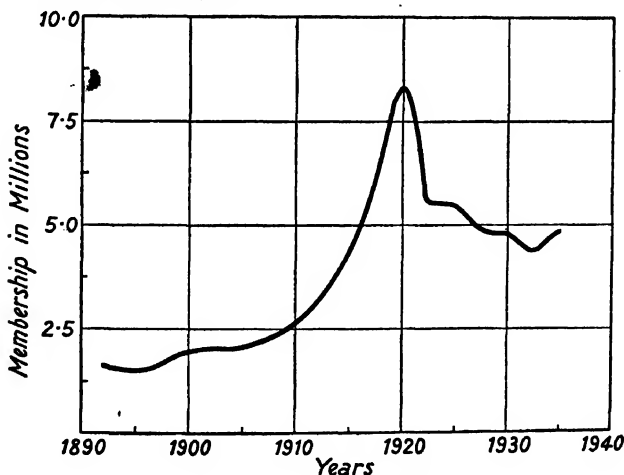
consider the matter in the light of that definition we shall find that professional associations and trade unions grade continuously into one another. In fact, the distinction between our two groups of occupational associations, from this point of view, is not well marked and can only be made with difficulty.

The difficulty of separating professional associations and trade unions becomes evident when we observe that the amount of skill required varies by small steps in degree and in kind as we pass from the learned professions to the unskilled labouring class. It cannot even be said that brain work is confined to the professions and manual work to the trade unions. The Railway Clerks' Association, for instance, is a trade union, and some professional men, such as surgeons, do much of their work by hand. When, however, we come to the action taken to secure status and remuneration, there seems at first sight to be something approaching a real distinction. Trade unions negotiate with employers, whereas professional associations seldom do so. But this is because the typical professional man is a free lance and as such has no employer with whom to negotiate. When, however, members of a free-lance profession take salaried positions, they are neither unwilling to bargain collectively nor inept at so doing, as the history of the British Medical Association shows. Further, we find among such typical professional men as chemists a trade union, the British Association of Chemists, one of the main objects of which is to bargain with employers.

Thus the distinction between professional associations and trade unions is not sharp, and no clear dividing line can be drawn between them. This being so, any distinction must be somewhat arbitrary. How then shall we make it? To take the legal definition of a trade union would not be helpful since in law an association of employers can be a trade union, and we have agreed to exclude, as said above, such associations from among occupational associations. We might define trade unions as those bodies which are affiliated to the Trades Union Congress; if we did so, we should certainly make our definition correspond to the

popular conception of a trade union. But this would be to use political sympathy as a basis of classification, and we are in search of a distinction which is of a more scientific nature. The most convenient definition is that used by the Ministry of Labour which classes under the head of trade unions 'all organizations of employees—including those of salaried and professional workers, as well as those of manual wage-earners—which are known to include among their functions that of negotiating with employers with the object of regulating the condition of employment of their members'. It will be observed that, if we define trade unions in this way, the term professional association must be used to cover those organizations of workers who are mostly free-lance and who therefore are little if at all occupied in negotiations with employers.

The membership of trade unions thus defined is shown in the following graph:



Membership of Trade Unions
Great Britain and Northern Ireland, 1892 to 1935

It will be seen that membership increased slowly up to 1910 and very rapidly from 1910 to 1920. It then fell until 1934, swiftly for two years and more gradually afterwards. In 1934 the figures began to increase once more. It may be observed that at their time of greatest expansion, which was in 1920, trade unions did not enrol

more than 50 per cent. of the male and 20 per cent. of the female wage earners, and they now enrol much smaller percentages. The proportion which women form of all trade unionists has not remained constant. When the number of women trade unionists was first recorded in 1896, they formed one-eleventh of the total; in 1935 they formed one-sixth. But there are still proportionately fewer occupied women than men organized in unions; it is not to be expected, however, that organization will ever be as complete among them as among men because most women pass out of industry on marriage, and have therefore not the same enduring interest in questions of wages and hours. Organization is also weak among juveniles, largely because they do not immediately settle down in one occupation.

Table XXXIX shows the number of those in each industry who were members of unions in 1935. Some persons (principally teachers) are members of more than one association, and when allowance is made for this fact the total membership in 1935 is reduced by between 20,000 and 25,000. It is not possible to put this table alongside Tables XIX and XX and to calculate the percentage of workers in each industry who are organized, because the former table refers to Great Britain and Northern Ireland and the latter only to England and Wales. But we can obtain estimates for 1931 of the number of persons engaged in various industries for the larger area; if, for instance, we consider the industries of Coal and Shale Mining and of Agriculture, we find that in the former over 55 per cent. and in the latter under 3 per cent. were organized in trade unions.² These are extreme cases, and the corresponding percentages for most other industries lie between these limits. This, together with the localization of certain important industries, explains the fact that trade unionism flourishes more in some parts of the country than in others, notably in Lancashire, Yorkshire, the North-east Coast, and South Wales.

While the membership of trade unions has greatly increased during the last thirty years, the same is not true

of the number of unions. There were 1,233 unions in 1892 and 1,042 in 1935. The highest total reached during the period was 1,379 in 1920.³ Amalgamation of unions is the explanation. In addition to amalgamation

TABLE XXXIX¹

*Trade Union Membership in Different Industries
Great Britain and Northern Ireland, 1935*

	(000s)
Transport (excluding Railways) and General Labour	911
Mining and Quarrying	604
Metals, Machines, Conveyances	592
National and Local Government	480
Textiles	432
Railway Service	417
Distribution, Commerce, and Finance	296
Building, &c.	275
Teaching	243
Paper, Printing, &c.	195
Clothing (including Boot and Shoe)	167
Miscellaneous	145
Woodworking and Furniture Manufacture	54
Agriculture, Horticulture, &c.	31
	<hr/> 4,842

we have to note the tendency towards federation. In 1935 2,011,000 members of trade unions, or 42 per cent. of the total membership, belonged to unions which were affiliated to federations. It is often difficult to distinguish for practical purposes between amalgamations and federations. There are numerous unions of miners all affiliated to the Mineworkers' Federation of Great Britain, which in important matters acts for the miners as a whole. It would therefore be misleading to lay stress upon the existence of separate unions in the mining industry; it would be more in accord with the facts of the case to regard the miners as included in a single union, though this is not a strictly accurate statement of the position.

The bulk of trade-union membership is concentrated in a few associations. There are some unions, using the term strictly, with a very large membership. The Transport and General Workers Union has 441,000 members, the National Union of Railwaymen has 306,000 members, and

the Amalgamated Engineering Union 164,000. There are also federations of great size which for all practical purposes are single unions, such as the Mineworkers' Federation of Great Britain with 500,000 members.⁴ This concentration of membership is well shown by an examination of the figures relating to the Trades Union Congress of 1936. According to the rules governing membership, as set out in the standing orders of the Congress, the Trades Union Congress consists of 'bona fide trade union organizations'. In the official report of the Congress we find a list of 'societies' by which delegates were appointed to attend the Congress, and a scrutiny of this list shows that by 'societies' are meant not only unions in the strict sense of the word but also federations such as the Mineworkers' Federation. Only 214 'societies' were represented. Nevertheless, the membership of these 214 societies amounted to 3,614,000, or over 70 per cent. of the whole membership of trade unions. If we examine the membership of the societies represented, we find that seven societies had more than 100,000 members each or nearly 1,900,000 members in all. Thus, of the 214 societies represented at the Congress, these seven contained over one-half the total of trade unionists represented.⁴ A few big societies thus dominate the trade-union world.

It remains to consider certain professional associations which conform to our definition of an occupational association. Some associations of salaried professional workers, teachers for instance, are included under the extended definition of a trade union which is adopted by the Ministry of Labour and which we have used. The remaining associations are found in professions the members of which are mostly free-lance workers. The number of these associations has increased, and they are known to have gained in strength during the last two decades. Since they include the most highly trained among all those who follow definite vocations, it would be of great interest to pass the statistical information under review. Unfortunately this does not seem possible for the following reasons.

The first difficulty arises from the fact that these asso-

ciations of brain workers nearly always include among their objects the study and promotion of their subject. As we have already explained, it is often very difficult to decide whether such an association is also sufficiently concerned with the status and remuneration of its members to justify its inclusion among professional associations as defined here. There are, for example, very well organized and powerful associations among engineers, but they concern themselves so little with status and remuneration that it would perhaps be misleading to include them. To omit them, on the other hand, would be equally misleading because it would suggest, what is emphatically not the case, that associations, generally called professional, did not exist among engineers. This kind of difficulty does not obtain in relation to the corresponding associations of manual workers, because they associate mainly to advance status and remuneration. Their craft is not sufficiently complex to require an association for its study.

Another difficulty arises from the existence of a large amount of duplication. Many professional men belong to more than one association that would be classed by us as a professional association, and there is no method of allowing for this overlapping. A third and somewhat unexpected difficulty comes into view when a statistical treatment is attempted. There are a number of professions which are 'closed'. Complete closure exists when, as among dentists, certain functions and certain titles are legally reserved to persons whose names appear upon a statutory register. Effective closure exists when, though the title is not protected, functions are reserved to registered persons. The latter is the case among medical practitioners. Now it is frequently found that, where a profession is closed, the professional association does not include half the registered persons. Thus about half of the medical practitioners belong to the British Medical Association, and less than half of the solicitors belong to the Law Society. The reason seems to be that, when a profession is closed, the professional association has not much to offer; the position of the practitioner is fairly

secure and there is no great inducement for him to pay the subscription. However this may be, it renders statistical treatment difficult, since closed professions are not strictly comparable with other professions.

Thus we must abandon, though with regret, any attempt to treat professional associations statistically. It may be said, however, that enough is known to make it clear that the professional associations have not suffered a decline in membership since 1920. Their experience has thus been quite different from that of the trade unions. One reason for this is that professional workers in general are not affected by industrial depression in the same way as are trade unionists. The services of doctors, for instance, continue to be required, and the demand for them remains effective on account of the national health insurance scheme.

VIII

OTHER ASSOCIATIONS

THE route which we have followed led us to discuss occupational associations in the last chapter. At this point the main road leads to a discussion of the most immediately important result of being occupied, namely income; but there is a by-road which invites some exploration. We may go up it a little way and then return. We are, in fact, tempted at this point to say something of associations other than occupational associations; but these other associations cut across industrial, occupational, and income classifications, and this is what is meant by saying that we are here exploring a by-road.

We have stressed the importance of occupational associations. But in addition to these there are other associations of many different kinds, and their multiplication is one of the features of a modern civilized community. The interests which bring men together may be classed in various ways—political, intellectual, social, religious. Readers will surprise themselves if they attempt to add up the number of associations to which they belong. Students of social theory have been led to take this amazing development of modern times into account and to discuss the 'minor loyalties' which such associations create. We cannot pass by this feature of modern social organization in silence. On the other hand, the position hardly admits of statistical treatment. Something may be said as to three of the types of associations we have mentioned—the religious, political, and social types—with the object not so much of attempting any complete survey as of indicating that there is here a most important aspect of modern social structure.

We are better situated with respect to religious than to political or social associations, though even here, owing to the absence of a religious census such as is usual in other countries, the data are unsatisfactory. We have to

rely upon the figures of membership given by various denominations. An impression seems to be prevalent that the records, upon which these figures are based, are not kept with much care; but an examination of the facts shows on the contrary that much care and trouble are usually expended upon them. But definition of membership varies, and this makes comparison difficult. We have to make the best of existing data, and in the following table the position is set out for religious organizations claiming more than 50,000 members. It will, of course, be understood that some of these bodies have a much larger total membership. Thus the Church of England and the Methodist Church as well as the Roman Catholic Church have more adherents outside than inside Great Britain.

TABLE XL
Membership of Religious Organizations

<i>Organization</i>	<i>Area</i>	<i>Qualification</i>	<i>Numbers</i> (000s)
a Church of England . . .	England & Wales	Communicants	2,639
b Roman Catholic Church . .	"	Catholic population	2,353
c Methodist Church . . .	"	Members	826
d Congregational Union . . .	"	Members	432
e Baptist Union . . .	"	Members	369
f Presbyterian Church of Wales	"	Members	182
g Presbyterian Church of England	"	Members	82
h Church of Scotland . . .	Scotland	Members	1,281
i Episcopal Church in Scotland.	"	Communicants	61

a *Official Year Book of the Church of England*, 1937, pp. 332 and 685.

b *Catholic Directory*, 1937, p. 623.

c Information supplied by the Secretary of The Methodist Church Conference.

d Information supplied by the Secretary of the Congregational Union of England and Wales.

e Information supplied by the General Secretary of The Baptist Union of Great Britain and Ireland.

f Information supplied by the Secretary of the General Assembly of the Presbyterian Church of Wales.

g Information supplied by the General Secretary of the Presbyterian Church of England.

h Whitaker's *Almanac*, 1936, p. 414.

i Whitaker's *Almanac*, 1936, p. 413.

In this table the date is the latest for which figures were available. For the Church of England it is 1935; in no

case are the figures earlier than 1934, while for Baptists and Congregationalists they are for 1936. An attempt is made to indicate the basis upon which each total is founded. Note should be taken of the fact that the figures for Roman Catholics differ from those for other organizations in two ways. They do not appear to be kept with the same degree of accuracy, and they refer to the whole Catholic population, infants as well as adults. In consequence of the second fact the figures for Catholics are in no way comparable with those for other bodies. In all other cases children are excluded, but the basis for inclusion differs. The figures for the Church of England include all Communicants during Easter week; if the church electoral roll were taken as the basis, the total would be much greater, for there were 3,598,522 on the roll in England alone.¹ In the Methodist Church members are those who, after a probation of not less than three months, are publicly recognized at a service which is followed by the administration of the Lord's Supper. In the Presbyterian Church of Wales all members have been received as such by a show of hands. Among Baptists members are usually received after baptism by immersion. It is not so clear in all cases what is expected of any one who continues to be counted as a member, and therefore membership of the different organizations may involve different degrees of attachment.

There are numerous smaller organizations with a membership of less than 50,000. There is, for instance, the Countess of Huntingdon's Connexion with 38 chapels and mission stations. Some, though small, are important, such as the Society of Friends, with a membership of 19,279 in Great Britain.² It is impossible to say what the combined membership of these smaller bodies amounts to. There is also the Salvation Army, which is important in the religious life of the country; but since it has no roll of members nothing definite can be said of its size. It is estimated that there were in 1931 some 270,000 Jews in England alone, though apparently it is not known how many practise their own religion.³

A well-known annual publication opens its section on the Religions of the British Isles with the statement that 'the inhabitants of Great Britain and Ireland are almost entirely Christians'. Used in this sense a Christian appears to mean some one who is not a Mohammedan, a Buddhist, or some form of infidel, but not to exclude pagans, for the figures given above seem to indicate that only something like one-quarter of the adult population of Great Britain are active members of a Christian organization. Even this strength of membership is somewhat surprising, and it is to be remembered that the figures purport to be minima rather than maxima. The Sunday aspect of England hardly suggests that the Churches have still the hold that the figures claim.

If a wide meaning is given to the adjective political, it is found that innumerable voluntary associations exist to promote political interests. Societies of greater or less importance can be found having as their object the reform, or at least the amendment, of the law as it affects every aspect of our social organization. The changes aimed at may be fundamental or trivial, definite or vague. The objects vary from the overthrow of capitalism to the protection of the lapwing. The programme may be one capable of fulfilment in a few years, or even months, such as the passing of a particular bill, in which case the association may be dissolved almost as soon as created unless it finds other objectives. On the other hand, the programme may be so ambitious, the suppression of vice, for instance, that the society may well be permanent.

It is obviously impossible to give any account of these associations. If they had to be registered and to make statistical returns to a Government department something could be said about them. But it may be asked whether we have not some information about political associations in the narrower sense. Is anything definitely known about the strength of the three great political parties? It is, of course, possible to obtain the total number of votes cast for Conservative, Liberal, and Labour candidates. But this information is no indication of anything equivalent

to membership in the real sense. There are numerous Conservative and Liberal clubs, the total membership of which might with great labour be collected. But there is no national Conservative or Liberal organization to which all or even most of the adherents of these parties belong. About the first two political parties, therefore, nothing can be said. Matters stand somewhat differently with regard to the Labour party. That party has a definite constitution, and consists of a federation of trade unions, constituency parties and Socialist societies together with individual members. In 1935 the party included 72 trade unions with a membership of 1,912,924, nine Socialist societies with a membership of 45,280, and 614 constituency parties, the membership of which is not given, together with 419,311 individual members. The total nationally affiliated membership recorded for 1935 was 1,958,204. This figure, however, is obviously of little value. It is well known that many members of trade unions, whether affiliated to the Labour party or not, do not vote for Labour candidates at election time. On the other hand, many voters consistently vote Labour who are not official members of the party. Even here, therefore, we fail to get statistics of any value. The only figures which seem reliable in the sense that they relate to persons who are pledged to a definite political programme, are the 45,280 recorded as members of the nine Socialist societies. But of the 45,280 no fewer than 36,000 are members of one society, the Royal Arsenal Co-operative, and in relation to Labour politics membership of a co-operative society affiliated to the party means no more than does membership of any affiliated trade union.⁴

The two remaining interests round which associations chiefly centre are the study or subject interest and the social or recreative interest. All that we have said above regarding the multiplicity of political associations holds good in these fields. For practical purposes there is no end to the number of study or social associations. We cannot attempt to enumerate them. We can merely emphasize their great and growing importance in the

social life of this country. There is, however, one form of social association of some little interest at the present time with regard to which figures are available. We refer to registered clubs.

All clubs which supply intoxicating liquor are obliged to be registered. Such clubs do not need a licence, but they must lodge a return each year giving particulars as to membership and other matters, which are entered on a register kept by the clerk to the licensing justices. These clubs are interesting because of the rapid growth in their number. On January 1, 1934, there were 15,298 registered clubs in England and Wales, or 3.78 per 10,000 of the population. In 1904 there were 6,371, or 1.89 per 10,000 of the population. The increase has been rapid since the war, amounting in one year to as much as 11.74 per cent. on the previous year.⁵

A classification of 13,513 clubs registered in 1930 was presented to the Royal Commission on Licensing and is given in Table XLI. The total estimated membership of these clubs was 4,222,113. But this is a misleading figure. There is much duplication; many men belong to more than one club. After a considerable reduction has been made for duplication the figure still greatly exaggerates the number of club users. Thus the Incorporated

TABLE XLI^v
Registered Clubs
England and Wales, 1930

	<i>No. of Clubs</i>	<i>Members (000s)</i>
Political	2,412	635
Golf	957	294
Bowls	465	56
Tennis	210	39
Cricket and Football	386	134
Masonic	657	102
Service and Ex-service	1,546	334
Athletic	717	460
Works—Institutional	571	329
Social (Working Men's)	3,026	966
Social (other)	2,108	637
Others	458	236
	<hr/> 13,513	<hr/> 4,222

Law Society is entered with nearly 10,000 members, whereas the active membership is a few hundreds daily for lunch.⁶ Nevertheless, the number of registered clubs and of registered club users is increasing. The same may be said of most forms of social, recreative, and study associations, though the position cannot be illustrated by figures.

IX

THE NATIONAL INCOME

IN the last chapter we took a few steps up a side track and noticed, if we did not explore, certain activities of the population which are not primarily connected with making a living. Let us now return to the main route. The people of this country follow occupations, engage in industries which are concentrated in certain localities, and organize themselves according to their work mainly in order to make a living. It seems therefore appropriate that at this point we should discuss the national income, since the getting of an income is the chief object of the activities hitherto described. One method of procedure immediately suggests itself. We might attempt to add up all individual incomes to see if we can arrive at the amount of the national income. Afterwards we shall naturally be led to ask questions as to its distribution.

While the idea of summing-up all individual incomes in order to arrive at the national income is simple enough, there are many aspects of the procedure which demand careful scrutiny. Different meanings are given to the term national income. There are numerous traps awaiting the unwary who are not clear as to the meaning which they attach to the term. A brief examination of the definitions employed and the procedure adopted is therefore required before we attempt the summation. Let us begin with 'the broad definition of total income' given by Professor Bowley and Sir Josiah Stamp as 'the sum-total of the wages, salaries, rental values, profits, and interest' received within a year.¹ In other words, we ascertain and add up all sums received as wages, salaries, profits, interest, and rents of lands and houses (whether in this last case received in cash as rent or enjoyed in kind by the owner-occupier). We thus get a total for the national income which represents 'the aggregate money expression of those goods produced and those services performed . . . in a year which

are, as a fact, generally exchanged for money'.² The basis of the conception is a summation of money payments for goods produced and services rendered within a year. No confusion need arise because some payments are counted though the persons who receive them have neither produced goods nor rendered services, or have only done so in times past. We look to the sources and not to the recipients of income. The tenant of a house pays for the facilities he obtains during the year, and from our point of view it is of no consequence whether he pays the man who originally built it or his son who has inherited it. The house renders a service within the year for which payment is made. The payment is therefore included in the national income.

When boots are sold or medical service is rendered for a fee within the year there is some addition to the national income. On the other hand, if I make my own boots, grow my own vegetables, or gratuitously render medical service, however valuable, there is no addition to the national income as here defined. It thus takes no account of many indispensable services. Of these the most important are the household services performed by wives. Since they are not paid for, they are not counted. Other annual funds of satisfaction such as those derived from the possession of furniture and motor-cars are also excluded because, unlike houses, the satisfaction is not regularly measured in money. If it were (or in so far as it is) the practice to rent motor-cars or furniture like houses, they too would be added. The national income is thus an incomplete measure of services. Further, it is a somewhat variable measure, because the same services may at one time be paid for and at another time be rendered freely. Sir Josiah Stamp illustrates this point as follows.—If a million women perform services in industry worth a hundred million pounds a year and a million wives render services at home, the total contribution to the national income is £100,000,000. If, however, these ladies change places, the million wives going out to work and earning £100,000,000, while the million women enter domestic

service in the homes of the million wives, for which they are paid £100,000,000, there is a total contribution of £200,000,000 to the national income though no additional services are rendered. So long, however, as we are concerned merely with the measurement of the national income at a given date, or with comparisons between dates not far apart, as is the case here, these considerations are only of importance in that services not remunerated by money payments are left out of account. If we were comparing the national income at dates separated by long intervals, it would be necessary to ask whether changes in social habits and practices had taken place which had increased or diminished the national income measured in this manner without any true increase or diminution of services.

Let us now take up another point. When attempting to add up the money values of services remunerated by money, it is legitimate to deduct from a man's gross income that part of it which he is obliged to spend in getting that income. Income-tax payers are in fact allowed, when computing their income for income-tax purposes, to deduct such expenses as those incurred in using the telephone in the course of business. It is the income left after making these deductions by which a man is remunerated for his services. If a man makes £1,000 a year out of his business but has to spend £200 a year in getting the £1,000, we count his income as £800. But he is only allowed to deduct those expenses directly and inevitably incurred in getting his income. The division between these and other expenses is somewhat arbitrary. A man must have boots and clothes in order to pursue his business, but he is not allowed to deduct the cost of these articles from his gross income in order to arrive at his taxable income. Those things only are allowed to be deducted which are not too difficult to define as expenses in practice, and though for that reason the line is arbitrary, the principle is clear. We are attempting to add up the freely spendable incomes which men receive in return for their services.

A grasp of this principle enables us to deal with yet

another problem which arises in connexion with the computation of incomes. If the business man with an earned income of £800 a year pays £50 to a private schoolmaster for educating his son, he will not be allowed to deduct the £50 from the £800. But the schoolmaster will also include the £50, together with other sums which he receives from other parents, in computing his income, and in a sense there is here double counting. Nevertheless the procedure is perfectly sound. There is clearly a double service performed, that of the business man and that of the schoolmaster, and therefore it is right that there should be a double counting of income. The money after all is merely a token of service, and the same money by changing hands may serve to represent during the same year the services rendered by more than one person.

Now that the ground has been cleared by explaining in general terms what is counted as income and what is not so counted in the case of an individual, we can describe the procedure adopted in dealing with different classes of incomes. We shall then be prepared to discuss the different meanings which might be assigned to the term 'national income', the result of combining these different classes in different ways. The procedure we propose first to describe is that followed by Professor Bowley and Sir Josiah Stamp, who made independent estimates of the national income before the war, and who subsequently joined forces to produce an estimate for 1924. Later we shall mention the procedure followed by Mr. Colin Clark, whose more recent estimates of the national income we shall also quote.

Since there is no periodical census of incomes as there is of people, at first sight the notion of trying to add up all individual incomes, though in conception simple, may seem fantastically theoretical. But in point of fact the Inland Revenue Commissioners do take a kind of census each year of all incomes above a certain level, as all who are required to fill up income-tax forms know to their cost. It is from an analysis of the data obtained in this way that the total income of those individuals, companies, or

corporations liable to income-tax is determined. From the total recorded income certain deductions must be made in order to reduce the legal profits to the true commercial profits. On the other hand, some addition must be made to cover evasions of tax. Into these we need not enter.

This accounts for the first and, so far as size of income goes, the most important class of income receivers. There are two other classes to account for: those salary earners and those wage-earners not liable to income tax. While returns are published annually with regard to the first group of incomes, those liable to tax, there are no similar publications relating to incomes of the second and third groups, and the methods employed to estimate their totals are therefore quite distinct. Information regarding the second or intermediate group is chiefly derived from unofficial inquiries. Such an inquiry was made by a committee of the British Association for the year 1910, and another inquiry on the same lines was made by Bowley and Stamp for 1924. The method followed by the committee³ was to take 31 occupation groups falling within this class, for which the number occupied was known, and to assign to each group an average income with a certain range of possible error. The information regarding government servants, the army and navy, clergy, elementary teachers, bank and railway servants, was fairly exact. The incomes of clerks and shop-assistants was estimated from representative samples by direct inquiry. The incomes of small farmers were based on the rental values of farms. In addition, an estimate was made of the income derived from the property held by this class. For knowledge concerning incomes of wage-earners the results of the Board of Trade inquiry into earnings and hours conducted in 1906 were used. In this way the average weekly earnings in different industries can be estimated for a given date and checked in various ways. The figures are then combined with the numbers occupied in each industry, as given by the census, and a total for wages is obtained, allowances being made for changed rates and other factors.

Our next step is to discuss various possible definitions of the national income. The national income might mean the total income arising within a country in a year. Let us adopt the terminology of Bowley and Stamp⁴ and call this A. Some of A belongs to persons living abroad. Let us call this B. $A-B$ will thus be the home-produced income belonging to home residents. But some of these residents also receive income from abroad, which we may call C. Therefore $A-B+C$ will be the total income accruing to residents from whatever source and reaching them individually or collectively. It may be divided into two parts—individual or corporate income. Large sums are now annually assignable to non-personal income, of which undistributed profits are an example. Let us call non-personal income D. The total income accruing to residents individually is therefore $A-B+C-D$. Here there are four possible definitions of the national income, and we must be careful in what follows to make clear, whenever we use the term, in what sense it is employed.

The distinctions between these four definitions of the national income are easy to grasp. There is a fifth definition which is not at first sight so clear. It is, however, of considerable importance. We may attempt to estimate what Bowley and Stamp call the social income, which they define as the aggregate of individual and collective incomes less incomes received by compulsory reductions from other incomes in return for no services or services not rendered in the year in question. Using the previous notation, an amount E has to be taken from $A-B+C$ to arrive at the social income. What then is E?

The nature of E is best understood if we recall what was said on a previous page about double counting. It was pointed out that the £50 paid by a father, whose total spendable income was £800 a year, to a schoolmaster for educating his son was counted both in the income of the father and in the income of the schoolmaster. This double counting is legitimate. The £50 represents both part of the money value of the services rendered by the parent as a business man and part of the money value of the services

of the schoolmaster as a teacher. There are, however, other forms of double counting which are not legitimate when we attempt to measure the value of real economic goods and services. There are various ways in which part of the income of certain persons is taken and given to other persons. The former receive no goods or services when they part with their money, and the latter render no services and produce no goods in return for this money. The transaction is in the nature of a mere transfer. Clearly enough the money transferred should only be counted once. It is legitimately counted as part of the income of those who have rendered services or produced goods in return for it, but it is not legitimately counted as part of the income of those who have done nothing for it, or at least nothing within the year.

The collection and payment of the interest on the national debt is the best example of transfer on a large scale. The interest amounted to £268 millions in 1924.⁵ This sum was collected by the State through taxation and handed over to holders of government securities. Sums paid in income-tax may not be deducted from income. If, therefore, we add up the incomes of taxpayers we shall include the £268 millions twice over, first before the Government takes it and secondly after the Government has given it to bond-holders. This would not be justifiable. That this is so is clear if we imagine that all taxpayers hold government securities in exact proportion to the amount paid in taxes. In that case the Government would first take a certain sum from each taxpayer and then hand back to him the same sum. It clearly would not be right for each individual taxpayer to count the sum more than once, and the total £268 millions would in that case therefore not enter twice into the national income. In actual fact taxpayers do not hold government securities in proportion to the amounts they pay in taxation, and the Government therefore has to effect a redistribution of £268 millions to the extent to which this is not so. But this redistribution adds nothing to the national income. Therefore we must take steps to ensure that, when we are

estimating the real social income, processes of mere redistribution are not allowed to increase erroneously the national income. Unless such steps are taken, the larger our national debt the greater our national income will appear to be.

The payment of interest on the national debt is not the only method whereby redistribution is brought about. Other examples are the payment of war pensions and old-age pensions. They are paid in return for services wholly in the past, and they amounted to about £93 millions for the year 1924-5.⁵ But since for the most part they are paid to those who are not liable to income-tax, they are only counted once as income, namely as part of the incomes of all who are taxed to provide the wherewithal for their payment. It follows that, if pensions are not reckoned more than once, there is no need to make any deduction on account of them from the total national income computed in the manner described.

Redistribution is also effected by other means, but for various reasons no account need be taken here of transfers

TABLE XLII⁵

*The National Income (£ millions)
United Kingdom, 1911 and 1924*

		1911 (Including S. Ireland)	1924 (Excluding S. Ireland)
A	Total Income arising within U.K.	1,904	4,008
B	Income belonging to Non-residents	6	56
A-B	Home-produced Income belonging to Home Residents	1,898	3,952
C	Income from abroad	200	212
A-B+C	Total Individual and Corporate Income from all Sources belonging to Resi- dents	2,098	4,164
D	Corporate Income and Undivided Profits	115	205
E	Income transferred without Actual Ser- vice in the Year	36	361
A-B+C-D	Total Increase accruing to Individual Residents	1,983	3,959
A-B+C-E	Social Income	2,062	3,803
		(incldg. S.I.)	(Exclgd. S.I.)
A-B+C-E	Social Income	1,988	3,803

other than those resulting from the payment of interest on the national debt and of pensions. The value of E therefore was £361 millions in 1924 (£268 millions + £93 millions) as compared with £36 millions in 1911.

Table XLII gives the results of the estimates made by Bowley and Stamp for the national income defined in the several ways mentioned on pp. 89-90. The social income is the one which is of most interest to us. It amounted to £1,988 millions in 1911 and to £3,803 millions in 1924 for the United Kingdom, excluding S. Ireland. This is an increase of 90 per cent., but since the effective increase in prices between the two dates was also just about 90 per cent., it follows that the *real* social income was practically unchanged. If the figures are related to population it is found that the real income per head fell by 5 or 10 per cent. This was due to a decrease in the income coming to residents in this country from capital invested abroad. Real home-produced income was very nearly the same per head in 1911 and in 1924, a remarkable and unexpected fact.⁶

Since one man's expenditure is always another man's income, it follows that an estimate of the national income may be sought *either* by adding up all wages, salaries, rents, interest, and any remaining net profits (positive or negative) as was done by Bowley and Stamp, *or* by adding up the money value of everything upon which people spend their money. The latter method of procedure helps to make clear Mr. Colin Clark's approach to the subject. Briefly, he defines the national income for any year as the current selling value of all goods and services, normally exchanged for money, which become available for consumption during the year. Additions to capital goods and to stocks in hand are reckoned at current prices and counted as income. On the other hand, depreciation of existing goods and drawings upon stocks must be deducted from income. Services performed by the State and Local Authorities on a non-profit basis, such as defence and elementary education, are included at cost price; others, such as postal and tramway services, are included

on the basis of the prices charged. 'Transfer' incomes, such as old-age pensions and interest on the national debt, which merely pass from one pocket to another are not counted as an addition to the national income. This income, in short, represents the money expended by the final consumers on new goods and services as they reach the market.

Reference may be made to Mr. Clark's book⁷ for a full account of the interesting and ingenious technique which he has developed for estimating the national income. His findings offer the best available data for continuing the results reached by Bowley and Stamp to a later date. After certain adjustments have been made in order that Mr. Clark's figures should be comparable with those quoted for 1911 and 1924, it is found that his figure for 1924 falls short of that obtained by Professor Bowley and Sir Josiah Stamp by £272 millions or a little over 7 per cent. Leaving this discrepancy unresolved Professor Pigou and Mr. Clark give the following table showing the trend of the figures since that date:

TABLE XLIII⁸

Estimate of National Income
Great Britain and N. Ireland, 1924 to 1935

	1924	1929	1932	1934	1935
Total Income	£M's 3,529	3,912	3,349	3,694	3,909
Income per head	" 78.6	85.5	72.4	79.0	83.5
Income per occupied person	" 172.6	183.8	154.7	168.3	177.7

The change in the national income between 1924 and 1935 as given by Mr. Clark's figures is measured in terms of money, but the value of money itself has changed since 1924. In order to allow for price changes Mr. Clark first adds to the figures given in Table XLIII an estimate of the payments made by the public in indirect taxes and rates (on the ground that these are reflected in the prices of commodities); he then divides by a specially constructed price index of all goods and services sold for consumption

in this country. He thus obtains the result shown in Table XLIV

TABLE XLIV⁸

Trend of Aggregate Real Income and Income per Head

<i>Index</i>	1924	1929	1932	1934	1935*
Aggregate Income	100	116.2	110.3	123.8	129.5
Income per Head	100	114.0	106.8	118.8	124.3

* Provisional figures.

These figures should, of course, be regarded as merely approximate, although they are no doubt a fair indication of trend. They show a large net gain by 1929; part of this gain was lost at the time of the great economic crisis, but the loss has been more than balanced since.

For certain years it is possible to show the distribution of the national income as between wages, salaries, rents, profits, and interest. The figures are given in the following table:

TABLE XLV⁹

Distribution of Home-produced Income

	<i>Per cent. of Income in each class</i>			
	1921	1924	1931	1935
Wages	43	41	43	42
Salaries	12	22	24	26
Rent (land and buildings)	11	8	9	9
Profit and interest	34	29	24	23

Wage-earners, it thus appears, have taken approximately the same proportion of the national dividend in the form of wages at each period, but it is possible that they receive more than they used to receive in other forms, as rent or interest. A considerably higher proportion of the dividend is now represented by salaries, but it should be noted that shop-assistants, clerks, and workers of similar status are reckoned in the table as belonging to the salaried class. Coincidentally with the receipt by wage-earners and salary earners of a larger proportion of the national income there

has been a decrease in the proportion received by super-tax and sur-tax payers. The proportion of the national income going to super-tax payers in 1911 has been estimated at 8 per cent. The super-tax limit was then £5,000. If allowance is made for the change in the value of money the comparable figure in 1924 was £9,500. The proportion of persons with incomes above this amount in 1924 was $5\frac{1}{2}$ per cent. 'It would appear, therefore,' say Bowley and Stamp, 'that measured by percentage and allowing for the legal avoidance of super-tax, some ground has been lost by this section in the period of 13 years. If deduction is made for the greater progression in the present direct taxation, the percentage of *net* income going to this richer section is considerably less than it was in 1911.'¹⁰ It is apparent from Table XLVI that this change in the distribution of the national income has been further accentuated since 1924.

As wage-earners form the most numerous group in the community, it is worth while to make a more detailed analysis of their position. According to Bowley and Stamp¹¹ the average earnings of all wage-earners for a full working week were estimated to have risen 94 per cent. between 1914 and 1924. Since during the same period the cost of living only rose 75 per cent. real weekly earnings must have increased by 11 per cent. When, however, account is taken of increased unemployment, the rise in real earnings is reduced to 5 per cent. or rather less. Mr. E. C. Ramsbottom, Director of Statistics in the Ministry of Labour, has carried on the comparison to a later date. He finds that real wages for work-people in full employment rose between 1924 and 1934 in the proportion 98 to 115½, or 18 per cent.¹² But the number of insured workers actually employed fell between 1924 and 1934 in the proportion 89·7 to 83·3.¹³ Hence the rise in real earnings since 1924, when allowance is made for the factor of unemployment, was actually about 9 or 10 per cent. This, as Pigou and Clark point out, satisfactory though it may seem, is about half as large as the increase in real income per head of the population as a whole. Moreover, it is

made up of very divergent elements. While some industries have enjoyed much larger gains than these figures would suggest, the unsheltered and depressed industries, such as coal-mining, ship-building, and cotton, have suffered heavy loss. 'None the less, the broad fact remains that wage-earners as a whole, in spite of the heavy increase in unemployment, have secured substantially enhanced real earnings per head during the last ten years. The slight advance made between 1914 and 1924 has been, not only maintained, but accentuated. Moreover, since pre-war days the number of dependent children per average family has decreased; with the result that the pressure of needs on the poorest class of worker is substantially lightened. Again, wage-earners as a body, through the reduction in the length of the working day, have increased their income of leisure—that highly desirable quasi-commodity—to the extent of five or six hours per week. Finally, in any reckoning of the progress of the wage-earning classes, it is proper to bring into account the great growth that has taken place since the beginning of the century in expenditure otherwise than out of the wage-earners' own contributions, on social services—pensions, health insurance, education, housing, unemployment insurance, and so on. In the quinquennium before the War this expenditure was in the neighbourhood of £100 million a year; over the period 1932–5 it was well over £400 million a year—an increase enormously larger than can be accounted for by the increase in population and the higher level of prices.'⁸ But we shall return to the consideration of the social services again in a later chapter.

After discussing the amount of the national income attention has so far been concentrated upon its distribution, and in particular the share going to the wage-earners. Let us now turn to the other end of the scale and examine the distribution of incomes among that small but relatively wealthy section of the population who enjoy the privilege of paying sur-tax, since they occupy a place in the imagination of the public in proportion to the size of their incomes

rather than to the smallness of their numbers/ The distribution is shown in Table XLVI.

TABLE XLVI¹⁴

*Distribution of Incomes Assessed to Super-Tax or Sur-Tax
Great Britain and N. Ireland, 1924-5 and 1933-4*

Income Class		Number of Persons assessed to		Total of Incomes Assessed £M's	
Exceeding	Not Exceeding	Super-tax	Sur-tax		
£	£	1924-5	1933-4	1924-5	1933-4
2,000	5,000	63,275	61,849	192	184
5,000	10,000	16,940	13,715	116	93
10,000	20,000	6,263	4,390	85	59
20,000	30,000	1,520	841	36	20
30,000	40,000	557	339	19	12
40,000	50,000	301	149	13	7
50,000	75,000	307	165	18	10
75,000	100,000	114	49	10	4
100,000		138	65	28	11
Total		89,415	81,562	517	400

From this table we learn that in 1933-4 the number of persons with more than £2,000 a year was roughly the same as the population of one moderate sized county borough, whereas the number of those with over £10,000 a year was about that of the population of one small market town. Their swift journeyings about the country and excursions to the Riviera, the chronicles and pictures of their doings, all combine to magnify their numerical importance. They appear to constitute an army. It is, however, a stage army—a few battalions appearing again and again in new and striking postures. Disproportionate as is the share of the national income which falls to them, there is no vast source of wealth whence, if it were shared out, we could all achieve even a moderate competence. The rich, as has been said, are like the Alps, which tower in their magnificence above the plains; but if they were razed and the material which constitutes them spread evenly over the surface of the land, there would be a rise of but a few inches in the general level.

This table also shows that the number of rich persons

is decreasing. This tendency has been in operation for some time, but was very evident between 1924-5 and 1933-4. During this period the decline in the number and total incomes of super-tax or sur-tax payers is striking. In no year between 1920-1 and 1930-1, inclusive, was the sum of incomes so assessed less than £500 millions. It reached a maximum at £593,514,000 in 1928-9, since when it has steadily dropped, and the number of persons assessed at over £2,000 a year is now less than it has been since 1920-1.¹⁵ In spite of recent changes, however, the distribution of the national income remains very unequal. Dr. Bowley estimated that in 1910 all income receivers could be divided into two classes, 1.1 per cent. who took 30 per cent. of the whole national income and 98.9 per cent. who shared the rest between them. The national income here apparently means that part of it accruing to individuals. Another division of the same total showed that 44 per cent. went to only 5½ per cent. of all income receivers.¹⁶ And even in 1935, according to Mr. Clark, some 12 per cent. of the income receivers at the top end of the scale took 42 per cent. of the whole national income, while at the bottom end some 60 per cent. had each less than 48s. per week.⁸ It should be observed, however, that statements of this kind may be misleading. They show how far the position departs from equality as between all receivers of income. But those who desire progress towards equality of income do not visualize the ideal condition as one in which boys and girls who have just left school and begun to earn receive as much as parents who have young families to support. Therefore, since equality per head is not the aim, we are less far removed from the ideal than these calculations may at first sight lead one to suppose.

It is sometimes asked what would happen if the national income were equally distributed. A fairly detailed answer has been given for the position as it was in 1924. The average income per head of population would have been about £84 a year, and the average income per occupied person would have been £185. But these are somewhat

meaningless figures, because families, not persons, are the true social units. We find that the average family income works out at about £365, or £1 a day, in 1924.¹⁷ But this result again is misleading, for if every family were free to spend its own share of the national income entirely as it pleased, there might be nothing left to meet the expenses of government and nothing saved and invested to keep the wheels of industry in motion, so that very soon the whole social system would come to a full stop.

In order to reach a more illuminating figure it is necessary to start, not with the social income, but with the total income ($A + C - B$ in Table XLV) before the transfers (E) have been subtracted from it. This amounted to £4,164 millions for Great Britain and N. Ireland in 1924, and Bowley and Stamp suggest that it might be analysed thus: paid in rates and taxes, £855 millions; saved, £475 millions; spent freely, £2,835 millions. If, then, the last total, £2,835 millions, were divided equally among 10½ million families, the sum available for each would be about £270 per annum. Now the average earnings per wage-earning family, we are told, amounted only to £190, and this was before rates and taxes were deducted.¹⁰ We thus get some idea how far, on the average, wage-earners would fall short of their share of the freely spendable part of the national income, assuming the principle of equal division were adopted. These calculations provide no forecast of what would happen if equal distribution were brought about suddenly, because they assume, what would certainly not be the case, that the social income would be unchanged. But they do serve one useful purpose. They emphasize our poverty. We cannot all be rich in the absolute sense. There is no cure for poverty through mere redistribution of our existing national income. This is no argument, it may be observed, in support of the present distribution; it does not touch the view that there should be no cake until all have bread.

Up to this point we have regarded the national income as an inflowing current. Attention has been concentrated on the intake of the national income, but, as previously

pointed out, there is also a continuous outflow which is the reverse of the same picture. It may be of interest, therefore, to give Mr. Feaveryear's estimate of national expenditure.

TABLE XLVII¹⁸
Analysis of National Expenditure

	Average of 1924-7		1932	
	£M's	Per cent.	£M's	Per cent.
Food	1,239½	30½	1,107½	30½
Maintenance of the Home	513	12½	580	15½
Clothes	452	11½	314	8½
Direct taxation	385	9½	406	11
Liquor	308	7½	232½	6½
Smoking	116	3	143	4
Travel	215	5½	261	7½
Entertainments and Sport	85	2	82	2½
Sickness, Accidents, and State Insurance	93	2½	106	3
Religion	42	1	33	1
Reading	44	1	47	1½
Miscellaneous Expenditure	150	3½	150	4
Saving, including new houses and furniture	400	10	200	5½
Total	4,042½	100	3,662	100

From Mr. Feaveryear's total of £3,662 millions for the national expenditure in 1932, if a balance is to be attempted with Mr. Clark's estimate of the national income for the same year, that part of taxation which represents mere transfer of income (amounting, it is estimated, to £545 millions) and that which is pure saving (£82 millions) must be subtracted. On the other hand, it appears that certain items were omitted which should have been included in the table, such as expenditure on domestic service and private education, while others, e.g. retail transactions, were under-estimated. The combined effect of the proposed modifications is to reduce the national outlay for the year 1932, or that part of it which corresponds to national income in the sense defined, to £3,414 millions, a result which only differs by a narrow margin from Mr. Clark's estimate.¹⁸

The data quoted in this chapter show that the national income has increased of late years faster than the population, and that the distribution of the income has changed

in favour of the less well-remunerated section' of the community. It is not strictly within our province to deal with changes that have taken place over long periods of time, but we may, in conclusion, refer to Sir Josiah Stamp's interesting comparison between 1800 and 1914. His calculation shows that, poor as we may still be, things have improved in the most marked fashion since the beginning of the nineteenth century. Whether the improvement has come about because or in spite of the prevailing economic system is another matter. The fact alone is relevant here. The national income in 1800 was probably somewhere about £230 millions, and in 1913 was roughly £2,300 millions. During this period income had increased tenfold. Population, however, had only increased fivefold. But this is not all. The index number of prices for 1801 was roughly twice as great as for 1913. Money had thus doubled in purchasing power. Further, the evidence is that the increase had been shared evenly by all classes in the population. Therefore it is broadly true to say that the ordinary person in 1913 was four times as well off in real commodities as the person in the corresponding place in the social scale in 1801.¹⁹

THE NATIONAL WEALTH

IT is a nice question whether it is more logical to consider national wealth before or after an inquiry into the national income. There are arguments for either procedure. One argument for the present procedure is that wealth is accumulated out of income saved. We found when dealing with income that, in spite of the vivid apprehension we all have as to the meaning of that word for us, there are obscurities inhering in the term 'national income'. But it is more difficult to define wealth than income, and again more difficult to measure wealth than income. Nevertheless, the matter is of such interest and importance that we are led to inquire into the amount of the national wealth, to ask what are its chief constituent elements, and, so far as it is individually held, how ownership is distributed.

Let us begin with a definition. National wealth is here used to mean the sum total of the exchangeable and transferable possessions of the inhabitants of this country, whether individually or corporately held, including their foreign possessions and excluding wealth within the country held by foreigners. This definition requires certain amplifications and qualifications. (1) The wealth included is such as has money value and is exchangeable, though all things which possess these qualities do not come under the head of national wealth (see 3 below). Thus objects—such as the air we breathe—which are desirable and even necessary, but so common as not to be exchangeable for money, are excluded. Again, possessions which are valuable but 'internal', such as the special skill of a doctor, are excluded because, as is the case with all 'internal' possessions, they are neither exchangeable nor transferable. (2) If by capital is meant possessions employed as agents in production, as we used to be told in the older economic text-books, then capital is not synonymous with wealth as the term is used here. Wealth includes all possessions

regarded as results of production and conforming with the definition given above. Thus all capital is wealth but all wealth is not capital. (3) What may be wealth to the individual may not be wealth to the State. War Loan, to the individual who owns it, has money value and is exchangeable: to him it is wealth. But to the State it is the very antithesis of wealth, namely a debt, for it stands in place of wealth which has been taken from certain citizens and consumed in the prosecution of war. There remains an obligation on the part of the State to pay interest to the lenders or to extinguish the debt by a money payment. But while the lenders may regard the recognition of this obligation as an addition to their individual property, they should not regard it as wealth in the corporate sense. In any case the statistician must not do so, because it is not an addition to the sum total of the wealth of all the persons within the country.

It has been said that wealth is wealth because it satisfies human wants. A canal, that has been superseded by a railway and is no longer used, satisfies no wants and does not enter into the national wealth. We have agreed, however, to exclude certain possessions which do satisfy wants—possessions which are 'internal' and therefore not transferable, and possessions that are so common as to have no money value and are therefore not measurable by the only measuring rod that we can employ, namely money. But the measurement of wealth thus defined is no simple matter. It might seem at first sight that the obvious method would be to go round and make an inventory of all the possessions falling under wealth as we define it, setting a money value to each of them. But it appears on reflection that this is not what is ordinarily done in respect to certain classes of possessions. When we attempt to value a boot-making business we do not merely make an inventory of the buildings, machines, and stock on hand. We investigate the financial position of the business, calculate its profits at the present time, and estimate its future profits. Our valuation is made by capitalizing the probable future profits at so many years purchase. In

other words, we treat the business as a 'going concern', and there is a distinction between what we may call the 'going concern' and the 'inventory' methods of estimating wealth, although, if our information was complete, they should lead to the same result.

It seems clear that the 'going concern' method promises to give us more nearly what we want than the 'inventory' method, because it does attempt to measure the capacity of possessions to satisfy human needs in the future from a wider point of view than if they are regarded as mere objects in an inventory. The 'going concern' method, however, is not applicable to all classes of possessions. We cannot estimate the value of roads as 'going concerns', and the same applies to most government and local government possessions. We can attempt to ascertain what it has cost to make the roads or what it would cost to replace them, but we can do no more. Again, such personal possessions as furniture have 'inventory' value only. It therefore follows that we must use both methods in estimating the national wealth, the 'going concern' method where it is applicable and the 'inventory' method where the 'going concern' cannot be used.

It is interesting to observe that the 'going concern' method might be employed to estimate the value of certain classes of possessions which we have decided to exclude. We have decided to exclude the doctor's skill. But we could ascertain the earning power which he possesses owing to his skill, calculate his expectation of life, and upon this basis capitalize his estimated earning power and add it to the national wealth. This is, in fact, the rational method of procedure, and unless we do take account of and capitalize 'internal possessions' we are omitting very important national assets. But our procedure must not depart too far from the practice of everyday life. If it does so, the national wealth for which we give a figure will not correspond with the ordinary conception of what constitutes wealth. It is not usual to regard human capital as part of the national capital, and therefore we omit it.

With these considerations in mind let us survey the data available for the making of an estimate of the national capital. To begin with we have the annual income-tax returns rendered by the Commissioners of Inland Revenue. All income assessed for income-tax purposes is classed in one of five schedules. The classification is broadly as follows:

- Schedule A. Realty.* Income from the ownership of lands, houses, &c.
- B. Farming.* Income from the occupation of land.
- C. Government Securities.* Income from dividends, annuities, &c., payable out of public funds.
- D. Business and Professions.* Income in the form of profits or salary.
- E. Salaries of Officials.* Income in respect of any public office or employment by any corporation.

In so far as the 'going concern' method is applied to these data, the income arising under these different heads must be capitalized at so many years' purchase, according to the class of property concerned, and added in order to arrive at the national wealth. For information as to the number of years' purchase appropriate to different classes of wealth, and as to other aspects of the methods employed to capitalize income, the reader must be referred to Sir Josiah Stamp's *British Incomes and Property*, especially Chapter XI, and a presidential address by the same author delivered to the Royal Statistical Society on November 18th, 1930, bringing his figures up to a later date.¹ It is his results which are given below.

There are, however, two important points to notice. The 'going concern' method, for reasons already mentioned, is not everywhere applied. The income arising under Schedule E, for instance, is not capitalized. No addition is made to the national capital on account of the income of public officials and employees of corporations

classed under this heading. To capitalize this income would be to capitalize men. The incomes of doctors and other professional men fall under Schedule D, and the method employed in this case is first to capitalize the income and then to take that portion of the sum arrived at which is estimated to represent the tools and other possessions which professional men employ in order to practise their skill. Thus an attempt is made to limit the application of the 'going concern' method to these income-tax figures in such a manner as to exclude human capital. The second point to observe is that the whole interest appearing under Schedule C is not capitalized. The interest returned under this schedule is not only the interest payable out of the revenue of the United Kingdom but also that payable out of the revenue of any foreign or dominion government. It is legitimate to capitalize the interest on the latter, but not the interest on the former. If we were to capitalize the interest on the former, we should arrive at a sum which would represent in part the money borrowed by the State and expended in war, and therefore representing no material possessions, and in part the money used to construct roads, build dockyards, war-ships, and arsenals, which are government possessions and appear as a separate item in our list of assets going to make up the national wealth. The value of national and local government property is in fact arrived at by the 'inventory' method and shown apart from the rest. Therefore, to capitalize the interest on home government securities would result both in counting the real possessions of the government twice over, and in crediting the community with other possessions which have been used up in former years.

This method of capitalizing future prospects, but omitting human capital, is subject to certain defects, and circumstances may arise in which no increase in the valuation of the national wealth is shown where a real increase has taken place. Thus, savings used to promote the health and education of children will not show in the balance-sheet, though they represent true additions to the national assets.

If, on the other hand, these savings were used to build houses, then an increase would be shown. Again, changes in industrial organization may cause increases or decreases in the valuation, though in fact the national assets remain the same in spite of these changes. Thus, as Sir Josiah Stamp points out, a singer may earn £1,000 a year and the capital value of his assets will not appear in the balance-sheet. Like the surgeon's skill, they rank as internal possessions. But if a company is formed with a capital of £10,000, which is paid over to the singer, who in accordance with an agreement pays his income of £1,000 a year to the company, then the capital value of his powers will be included, because the method of valuation adopted requires the future prospects of all companies to be capitalized and added to the estimate.²

There are certain items in the list of national assets which yield no income that is recorded in the income-tax returns. Of these, the chief are central and local government property, movable property such as furniture, and the capital assets of non-income-tax-paying classes such as the stock-in-trade of small shopkeepers. The valuation of these assets can only be made by the 'inventory' method. Data for this purpose are scarce. The problem has been considered by Sir Josiah Stamp, and we quote his figures.

Table XLVIII gives the detailed figures of Sir Josiah Stamp's estimate. It should be observed that farm buildings and farm houses are included under Land and not under Buildings. The large figure under the heading Profits and Interest covers a heterogeneous group including all profits arising from production and distribution (making due allowance for losses and evasion), transport and communications, financial and professional services, as well as interest on war securities and on dominion and foreign securities.

The net total, £18,045 millions, is estimated to be subject to an error in excess or defect of £1,350 millions, and it may be compared with another estimate reached by a different method by Mr. J. C. Wedgwood.³ For

TABLE XLVIII¹*Estimated Wealth of the United Kingdom, 1928*

<i>Class of Wealth</i>	<i>Value (£Ms.)</i>
Real Property—Buildings	4,500
Land	950
Farmers' Capital	450
Profits and Interest	16,170
Profits below income-tax level	475
Furniture and Movable Property	1,500
Government and Local Government Property	900
	<hr/> 24,945
<i>Deduct:</i>	
Wealth belonging to people abroad	500
National and Local Debt charges	6,400
	<hr/>
Total Net Wealth	18,045

strict comparability, certain adjustments have to be made in both figures, so that, according to Sir Josiah Stamp, they become £21,275 millions (Stamp) and £20,050 millions (Wedgwood). Sir Josiah Stamp's estimate of the national capital for 1914 was £14,320 millions, and his general conclusion is that, allowing for changes in price and interest and for the loss of the Irish Free State, 'the position is not inconsistent with our having spent all our new savings for five years on war, having sold over a quarter of our original foreign investments, and having saved in the eight post-war years 1920-7 at the generally estimated rate of £475 millions per annum.'⁴

It is necessary at this stage to draw a distinction between the total national capital, which includes property in the possession of the central and local government and of corporate bodies, and the total personal capital of the nation which is restricted to wealth that is owned by individuals in their private capacity. The estimates so far discussed relate to capital in the first sense, which is a broader concept; but, if we proceed to consider the distribution of wealth, our concern is more appropriately confined to capital in the second sense of the term.

Evidence as to the distribution of personal wealth can be obtained from a table prepared by the Board of Inland Revenue in their memoranda on the taxation of war

wealth. The table, which is based upon estate duty statistics and super-tax samples, refers to 1919. It is adapted by Sir Josiah Stamp somewhat as follows:

TABLE XLIX⁵*Distribution of Wealth, United Kingdom, 1919*

<i>Fortune in £(000s)</i>	<i>No. of Persons</i>	<i>Amount held in £M.</i>
Over 1,000	322	681
750 to 1,000	230	195
500 750	653	405
250 500	2,971	1,020
100 250	11,200	1,615
50 100	20,570	1,432
25 50	48,810	1,731
10 25	138,460	2,202
5 10	169,040	1,217
Under 5	?	4,555
		15,053

From this table it appears that at the date in question about two-thirds of the wealth was held by just under 400,000 people (or less than 1 per cent. of the total population), and one-third of the wealth by 36,000 people, (or less than 1 in 1,000 of the total population). This method of expressing the distribution, as was indicated when dealing with the national income, may be somewhat misleading. It takes no account of the fact that the ultimate units in society, regarded in relation to wealth, are families rather than persons. The equal distribution of property implies an equal holding among heads of households rather than an equal distribution among all living persons, including babies in their cradles. It gives a more just impression to take the percentage of occupied persons over 20. We then estimate that about $2\frac{1}{2}$ per cent. of occupied persons over 20 held about two-thirds of the wealth, and that about $2\frac{1}{2}$ in 1,000 of occupied persons over 20 held one-third of the wealth.⁶

Professor G. W. Daniels and Mr. H. Campion⁷ have made a more recent study of the distribution of national wealth in the possession of individuals in pre-war and post-war years, also based upon figures provided by estate duty returns. By their method an estimate had to be made of the proportion of owners of capital who die and the

proportion of the national capital passing with death year by year. The number and value of the estates passing each year are then multiplied respectively by the reciprocals of these estimated proportions. It is thus possible to arrive at some idea of the number and value of all the estates existent at any given time. Since the probability of death varies with sex and age, the data must be analysed on this basis and reciprocals of the appropriate mortality rates used as multipliers.

It should be observed that estates of £100 or less are exempt from death duty, and therefore no information concerning them is obtainable from the estate duty statistics. The greater part of the population is made up of people whose total capital is below the £100 limit; it is clear, therefore, that this part of the estimate is not unimportant. An estimate of the number of persons with estates of £100 or less was reached on the assumption that the aggregate of persons aged 25 and over can be taken as equivalent to the total number of all ages possessing any capital. This assumption was admittedly subject to a large margin of error. Having determined the numbers of people possessing different amounts of capital, the next step was to determine the amount of capital found in each capital group. The amount in the possession of persons owning each less than £100 was arrived at by estimating the share of the total funds of friendly societies, building societies, co-operative societies, provident institutions, post office and trustee savings banks, &c., which could be attributed to the working classes, and by adding in the value of their household goods and personal effects. Professor Daniels and Mr. Campion estimated this combined total at £400 millions to £700 millions in 1911-13 and at £500 millions to £900 millions in 1924-30. It was impossible to take into account evasion of estate duty, under-valuation, and gifts *inter vivos*, but accepting these figures as the best available, the distribution of capital among individuals of age 25 and over is shown in Table L.

The general inference to be drawn from this table is that, although wealth is still very unequally distributed,

TABLE L⁸

Distribution of Capital according to Amount Owned and Number of Owners, England and Wales, 1911-13 and 1924-30

<i>Amount of Capital</i>	1911-13		1924-30	
	<i>Per cent. of Total Capital owned</i>	<i>Per cent. of All Persons owning Capital</i>	<i>Per cent. of Total Capital owned</i>	<i>Per cent. of All Persons owning Capital</i>
£100 or less . . .	11.1	88.3	6.4	78.6
£100-£1,000 . . .	9.9	8.7	10.4	15.5
£1,000-£5,000 . . .	15.3	2.1	17.0	4.2
£5,000-£10,000 . . .	9.5	0.4	10.0	0.8
£10,000-£25,000 . . .	13.9	0.3	14.4	0.5
£25,000-£100,000 . . .	18.5	0.1	18.6	0.2
Over £100,000 . . .	21.8	0.03	23.2	0.04
Total	100.0	100.0	100.0	100.0

the distribution after the war was less unequal than before. Three-quarters of the total number of persons, aged 25 and over, still owned only about 5 per cent. of the total capital in 1924-30, but relatively more people were found in each capital group above the £100 limit than in 1911-13. Comparison by age and sex indicates that the reduction in inequality of distribution of wealth has been due in part to the changing age-distribution of the population. More than half the capital of the country is said to be owned by persons over 55 and about three-quarters by persons over 45. Also, as would be expected, the scale of wealth is considerably lower for women than for men.

The same authors give some interesting particulars as to different forms of capital. 'The number of persons owning coal royalties and wayleaves in Great Britain in 1931 was 3,800. About one-quarter of the 400,000 agricultural holdings of more than one acre in England and Wales, and approximately the same proportion of the total acreage, are owned by their occupiers. More people own government securities than own land, and the recent building boom has extended the already widespread private ownership of houses. Again, persons with £1,000 or less, especially men, hold a larger share of their capital in the form of insurance policies than persons with more than £1,000.'

EDUCATION

UP to this point we have been engaged in describing where the inhabitants of this country live, how they are occupied, and what incomes they receive. Nothing has yet been said as to how men get sorted out into different occupations. It is in general clear, however, that a man's walk in life is determined partly by opportunity and partly by natural gifts. Something will be said later as to the distribution of natural gifts in the community. Can anything be said as to the distribution of opportunities?

The forms in which opportunity presents itself are exceedingly various. They vary according to the locality in which a boy is brought up. They vary even more with the social connexions he is able to establish. It is obviously impossible to obtain any statistical measurement of such matters as these. There is, however, one form of opportunity that we can study statistically, and that is education. The importance of education in determining a man's place in life is obvious. A boy who has not been to a secondary school must either possess very unusual natural gifts or meet with some very uncommon opening if he is to become a professional man.

It is difficult to summarize the educational system in this country and not to be misleading. But it may be said that for the children of the wealthy there are preparatory schools, public schools, and the ancient universities. The cost of such an education, lasting over perhaps fifteen years, is so high that it is out of reach of all but a small section of the population. It should, however, be remembered that a number of scholarships are offered at public schools and universities which cover the whole or part of the cost. For the rest of the population there is the state system of elementary schools, which may lead on to secondary schools and thence to a university. These two systems, if that term is applicable to them, are not wholly

separate. Some public school boys go to modern universities and many secondary school boys go to the ancient universities. Further, as will be pointed out later, the term 'public school' bears no clearly defined meaning. Nevertheless, there is a distinct cleavage between the two systems, one for the favoured few and the other for the remainder.

Attendance at elementary schools, if no other education is obtainable, is compulsory and free, whereas attendance at secondary schools is not compulsory and only in part free. Free secondary education is, in fact, only available to a limited extent for ex-elementary school pupils, and free university education again is only available for a small proportion of ex-secondary school pupils. In this connexion, the term 'free' is ambiguous. It may mean merely remission of fees, or it may mean maintenance in addition. But even when it implies maintenance it demands sacrifice, since the scholar postpones the attempt to obtain gainful employment. It follows, therefore, that since under the first system education is very costly and has almost wholly to be paid for, and under the second system advanced education is often paid for, at least in part, educational opportunities fall preponderantly to the richer section of the population. The fortunate position in which the sons of the richer parents find themselves in regard to this valuable opportunity accounts in large part for the fact that they obtain a share of the more eligible positions in adult life quite out of proportion to their numbers or their natural abilities.

We have been speaking so far of the whole-time educational system. There are also numerous forms of part-time education, both for adolescents and adults. Of them something will be said at the end of the chapter. The whole-time system must occupy most of our attention, and there are two chief objects at which we aim. We must attempt to summarize this system and inquire what proportion of persons at different ages are following full-time courses. We must also attempt to analyse the working of the special place and scholarship system, since this aspect

of our educational organization represents a deliberate attempt to equalize opportunity.

As a preliminary to the examination of the full-time educational system of England and Wales, we have the following information relating to the year 1931: the total population at each year of age¹ and the number on the registers of public elementary schools. The number attending other full-time educational institutions can be roughly estimated. Combining this information, we get the following table, which shows the proportion per 1,000 of the population between the ages of 9 and 20 who in 1931 were attending (a) public elementary schools, (b) other schools and universities, and (c) no educational institution.

TABLE LI²

*Proportion per 1,000 of the Population, at different Ages, attending or not attending Educational Institutions**

England and Wales, 1931

<i>Age</i>	<i>Proportion attending</i>		
	<i>Public Elementary Schools</i>	<i>Other Schools, &c.</i>	<i>No Educational Institutions</i>
9-10	937	33	30
10-11	933	45	22
11-12	853	134	13
12-13	824	170	6
13-14	795	182	23
14-15	234	176	590
15-16	30	140	830
16-17	4	86	910
18-20	0	27	973

* For preparatory and secondary schools recognized as efficient by the Board of Education the total number of pupils is known and the age-distribution has been estimated on the basis of that in the general population and in grant-aided schools. For schools not on the efficient list or not inspected by the Board, in the absence of any record for 1931, the total was taken to be the same percentage addition to the aggregate total in elementary, preparatory, and secondary schools on the efficient list as in 1921; also, in this case an arbitrary, though not an irregular, age-distribution was assumed.

The position disclosed in this table can be better appreciated by reference to the diagram, where the dark part indicates that portion of the population between the ages of 9 and 20 which was not receiving education of any kind, whole or part time, in school or college.

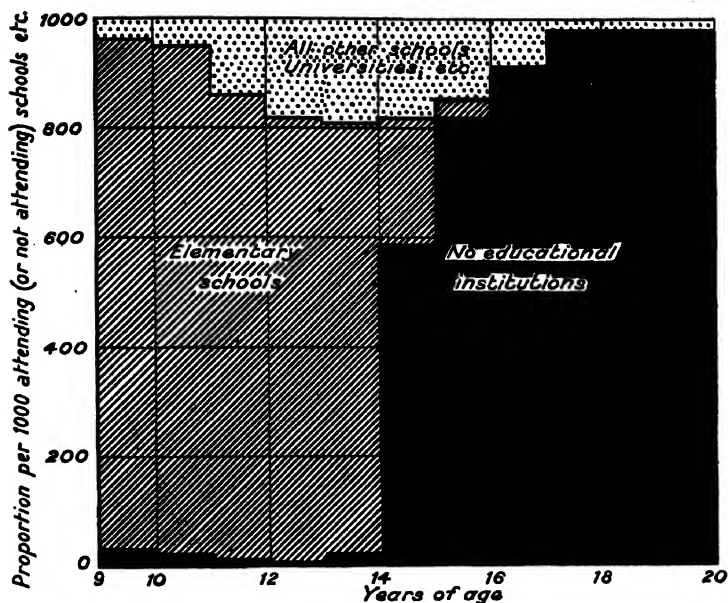


Diagram to illustrate Table LI

Let us now narrow the inquiry and review the full-time system of education as given in elementary schools, grant-aided secondary schools, and junior technical schools. The numbers attending are shown in Table LII

TABLE LII³

Number of Pupils (000s) in Various Age Groups on the Registers of Certain Types of School

England and Wales, 1931-2

Age	Elementary Schools	Grant-aided Secondary Schools	Junior Technical Schools and Pupil Teachers' Centres*
0-5	159	..	..
5-10	3,016	20	..
10-12	1,366	55	..
12-14	864	128	8
14-16	162	136	15
16 and over	3	72	2
Total	5,570	411	25

* Pupil teachers are gradually disappearing: less than 500 remained at the end of March 1935 (*Education in 1935*, p. 206).

for certain important age groups. It will be noticed that the great majority of pupils in these institutions are less than 16 years of age.

This table brings out some important facts regarding, for instance, such questions as the age of entrants to secondary schools. Leaving these matters aside for the moment, let us pursue another aspect of the situation. If we exclude from the totals in Table LII those who are over 17 years of age, we have in elementary schools 5,570,000 as before, but in grant-aided secondary schools 381,000 only, and in junior technical schools and pupil teachers' centres 25,000, making a total of 5,976,000 pupils under 17 years of age in these institutions.³ But in addition to this we can account for 60,000 pupils who are in secondary schools on the efficient list, but not on the grant list; another 17,000 are in preparatory schools on the efficient list. Such schools have been inspected by the Board of Education and recognized as efficient, but they do not earn a grant, though the secondary schools might do so if certain conditions as to management, special places, religious tests, and scales of fees were satisfied. The inclusion of the pupils in these schools brings up the total of those receiving full-time educational instruction to 6,053,000. But we have still to allow for an unknown number of pupils in preparatory and secondary schools which either have not been inspected by the Board of Education or have been inspected but have not been recognized as efficient. The best we can do with this group is to assume that it represents the same proportional addition to the previous total as it did in 1921. This gives 254,000, and we can now construct the following table, showing in what institutions all the scholars under 17 years of age, believed to have been following any kind of full-time educational courses, were found in 1931.

At first sight it will seem from an inspection of this table that 'public schools' have been omitted. This, however, is not so. Some appear under 'Secondary Schools on the Grant List', others under 'Secondary Schools on the Efficient List', and others again under 'Other Secondary

TABLE LIII⁴

Full-time Pupils under 17 years of Age
England and Wales, 1931

<i>Nature of Schools</i>	<i>No. of Pupils (000s)</i>
Elementary	5,570
Secondary on the Grant List	381
" " Efficient List	60
Preparatory " " " "	17
Junior Technical and Pupil Teachers' Centres	25
Other Secondary and Preparatory.	254†
	<hr/> 6,307

* Proportion under 17 assumed to be the same as in the grant-aided schools.

† Estimated by the addition of the same percentage to the previous total as in 1921.

Schools'. They cannot, however, be separated out. The first difficulty is that of definition. The only available definition appears to be that a public school is a school the headmaster of which may attend the Headmasters' Conference. There were in 1934 163 such schools in England and Wales, of which 78 were grant-aided. Even if this definition be accepted, a second difficulty faces us in the fact that we have no adequate information concerning these schools. Some particulars about them are to be found in the *Public Schools Year Book*, but, as they are not printed in a uniform fashion for all, it is impossible to deal with them as a group, and this is unfortunate in view of the prestige which they enjoy. When we remember the importance attributed to public schools, some persons being of opinion that they hand on to successive generations all the best traditions of our race, and others viewing them with anything but favour, it is remarkable that we should be wholly ignorant as to the number of pupils who either benefit or suffer from them, as the true state of the case may be.

It emerges that in 1931, out of the whole population between 14 and 17 years of age, approximately 22 per cent. were pursuing a whole-time course of education. Thus, for more than three out of every four of these young people, systematic education ceases early—for the majority, in fact, when they leave the elementary school. It should, however, be added that improved classification within the

elementary school range is steadily proceeding along the lines recommended in the Hadow Report, and although reorganization is not as rapid or as effective as it might be, it is perhaps as fast and as effective as can be expected until the school-leaving age is raised. By March 31st, 1935, it was claimed that 56 per cent. of all pupils aged 11 and over were in reorganized schools.⁵

It may be asked why the year 1931 was taken in Table LIII, seeing that education statistics are available for later dates. The answer is that only in a census year is the population at different ages known accurately, but the official figures for subsequent years suggest that the position has not changed substantially since 1931.

Further inspection of Tables LII and LIII brings out the great disparity in numbers between those attending elementary schools and those attending secondary schools. It arises because education ceases altogether for the greater part of the population when it ceases to be compulsory—that is, after the age of 14. The rising black tide in the diagram on p. 115 is proof of this, if proof be needed. The distribution of numbers in Table LII indicates that the majority of children who are promoted to secondary schools from elementary schools move there some time before they reach the age of 14. This is due to the fact that the maximum age-limit for those competing for scholarships and special places is usually 12. The accommodation in secondary schools is limited, and the number of those who pass to secondary schools is small.

We are now reaching a point in our analysis where we can take up the question of the extent of the equalization of opportunity. The rich can buy what education they please for their children, and they commonly send them to expensive preparatory schools, public schools, and the ancient universities. Whether such an education is a good education in the truest meaning of the term is beside the point. Such an education carries prestige and facilitates the entry into many lucrative lines of work. The children of the rich thus not only inherit their parents' wealth but are also placed in positions where they can earn relatively

big incomes. The system is such that it is not difficult for the rich to maintain themselves generation after generation in comparative comfort.

What of that other portion of the population who pass through elementary schools? They will lack the prestige attaching to the training just described, and, so far as it has a commercial value, they will be at a disadvantage. But, putting this aside, let us consider what chance there is for an elementary school pupil to continue full-time education and so to get the training qualifying him or her for entry into the better paid occupations. What, in fact, do we know about the educational ladder?

Let us take all those who left public elementary schools at all ages during the year ended March 31st, 1935.⁷ Their number was 662,552. Of this number 551,203, or 83.2 per cent., left for employment, 7,342, or 1.1 per cent., died or emigrated, and the remainder, or 15.7 per cent., left to go to full-time educational institutions.⁸ In the years 1922-4 12.3 per cent. of those leaving elementary schools were definitely known to have continued their full-time education.⁹ Therefore the proportion of those continuing full-time education has considerably increased during the decade. Of the various types of full-time educational institutions to which these children go, the secondary school is the most important in the sense that it is an almost indispensable step in the ladder leading to most of the better paid vocations. Of the 75,281, or 11.4 per cent.,†

* What proportion of the population, it is sometimes asked, obtain their primary education in elementary schools? This question may be understood in several different ways. The information most usually required, when the question is put, is given by stating that in the year 1934-5, 93 per cent. of the estimated population between the ages of 6 and 10 were on the registers of public elementary schools.⁶ This does not imply that the remaining 7 per cent. were being educated in preparatory schools. This 7 per cent. consists of (1) children who would be in elementary schools but for physical or mental disability, (2) children in preparatory and other schools, (3) children who would be in preparatory and other schools but for disabilities, (4) children being educated at home. The proportion which these four classes respectively form of the 7 per cent. is unknown.

† The majority of the 4.3 per cent. (15.7 less 11.4 per cent.), who did not enter secondary or junior technical schools directly, left elementary schools at an early age. They must have entered private schools, and it is to be presumed that they mostly go on from these schools to secondary schools when they are older. Therefore we count those constituting this 4.3 per cent. as among those continuing their full-time education after the age of 14.

who in 1935 left elementary for secondary schools, some were directly assisted from public funds to continue their education, while others were paid for by their parents. Can we discover what proportion who passed on were assisted?

The answer to this question involves an inquiry into the system of granting 'special places' in secondary schools. These special places are awarded on passing an examination test. But whether or not fees are remitted in whole or in part to the holder of a special place depends upon the income and needs of the family. Thus there are three classes of holders of special places, those paying full fees, those paying part fees, and those paying no fees. It would appear that about 9.5 per cent. of holders belong to the first class, 14.1 per cent. to the second class, and 76.4 per cent. to the third class.¹⁰ Grant-aided schools are normally required to keep at least 25 per cent. of their places as special places, the percentage being based on admissions in the previous year; there is nothing to prevent a local education authority making all its places into special places, and in 1934, in 273 out of the 1,381 grant-aided secondary schools, all places were special places.¹¹ We find, in fact, that 65.7 per cent. of all admitted to grant-aided secondary schools in the autumn term 1934 were awarded special places.¹⁰

Since 66 per cent. of all who pass on to secondary schools get special places, and since about 90 per cent. of the special placers pay no fees or reduced fees, we might at this point be tempted to conclude that about 59 per cent. of all ex-elementary school children who pass on to secondary schools are assisted. This does not follow, because all elementary school pupils who go on to secondary schools do not occupy special places. Let us put the relevant facts together: about 75 per cent. of all secondary school places are filled by ex-elementary school children; these children occupy all but a negligible proportion of the special places, which are 66 per cent. of all places; 90.5 per cent. of the special places are free or partly free. From this it follows that about four out of every five

ex-elementary school children who go on to a secondary school occupy a free or partly free place. In 1924 only half those who made this step obtained free places. The fact already noticed, that a larger percentage of children go from elementary schools to continue full-time education than a decade ago, is to be explained by the increased amount of assistance available from public funds for the purpose. Nevertheless, only between 11 and 12 out of every 100 elementary school children went on to a secondary school in 1935, out of whom between 9 and 10 were financially assisted to do so.*

It must not be supposed, however, that the free-place system represents the whole provision made with the object of equalizing educational opportunities. Some of those exempt from fees also receive maintenance allowances. In 1935 no less than 233,819 pupils in secondary schools received allowances amounting in all to £542,630.¹² More important than these maintenance grants is the fact that the fees paid by secondary school pupils do not cover the costs. The balance is made up from taxes and rates. In 1935 the fees amounted to less than 18 per cent. of the total required to cover all expenditure.¹³ It follows that of the 12 or so in every 100 elementary school pupils who pass on to secondary schools, it is not the free-placers alone who are assisted. The fee-payers are also helped substantially.

It thus appears that we assist, either by remitting fees, reducing fees, or charging fees less than the full cost, something like 12 out of every 100 elementary school pupils to a greater or less extent to take a step higher up the educational ladder. It was suggested in evidence before the Departmental Committee on Scholarships and Free Places that three out of every four children in elementary schools would profit from continued education, and this estimate was accepted as a convenient working hypothesis. Other estimates make the proportion

* In this analysis it is assumed that all those gaining special places came from elementary schools. It is understood that in actual fact about 1 to 2 per cent. of the special placers came from other sources. For this information we are indebted to Mr. C. F. Mott, Director of Education for Liverpool.

lower; but since no one suggests that less than 50 per cent. are capable of profiting, it is clear that there is still a long way to go before opportunities for continued education are provided for all elementary school children who can profit by them.

Let us now consider the next step in the educational ladder. How many children educated in grant-earning secondary schools find their way to a university? Figures for the three years 1931-4 show that of 225,948 pupils leaving such schools in England over 14 years of age during that period, 13,141 (roughly 2 boys to 1 girl) went to a university. These figures are said to be in all probability an under-estimate by about 10 per cent., as they do not include those intending teachers and other pupils who only proceed to a university after an interval.¹⁴ Adding in this 10 per cent., we get 14,455 in place of 13,141, and it therefore follows that 6.4 per cent. of the total of those leaving grant-earning secondary schools in England during these years found their way to a university. It does not follow from this that students from grant-aided schools form a small proportion of the population of universities. The case is quite otherwise; in 1931-4 over one-third of all entrants to universities came from grant-aided schools. Further, 55 per cent. of all open scholarships and exhibitions at Oxford and Cambridge were won by pupils from these schools.¹⁵

It remains to see what proportion of ex-elementary pupils reach a university. In the year ending March 31st, 1929, 730,302 pupils left elementary schools, and in the year ending July 31st, 1934, 2,814 ex-elementary school pupils entered universities from grant-aided schools.¹⁶ Allowance must be made for some additional ex-elementary pupils who got to this destination otherwise than by the path of the grant-aided school. It would thus appear that approximately 0.4 per cent. of ex-elementary pupils arrive at a university.

The position in regard to universities is therefore not unlike that in regard to secondary schools. The percentage of university students coming from public elementary

schools and grant-aided secondary schools is considerable, though the percentage of all students in public elementary and grant-aided secondary schools who pass on to universities is small.

Just as we asked what proportion of those who pass from elementary to secondary schools are assisted, so we may ask how many are assisted who pass from the latter to universities. Assistance is available from many different sources, among the more important of which are the awards of state scholarships and grants from local education authorities. The number of annual awards of state scholarships was increased from 200 to 300 in 1930, and is now 360. Since they are tenable for three years and may be extended to a fourth, there are now nearly 1,000 holders of these scholarships at universities. During the academic year 1933-4 local education authorities aided 6,368 students to the extent of £323,282.¹⁷ Thus from these two sources over 7,000 students are assisted at any given time, and about 2,500 are assisted each year to enter a university. Though we have no exact information, it is probable that a large proportion of the 2,500 so assisted come from grant-aided schools. But in addition to assistance from public funds there are many forms of assistance from other sources such as school leaving and university scholarships. Indeed, in 1934-5 13,896, or 39·2 per cent., of all students in England, and 20,518, or 41·7 per cent., of all students in Great Britain were assisted. But, as in the case of fee-payers in secondary schools, those who pay full fees in universities do not pay the full cost of their education. Tuition fees amounted to only a quarter of the total income of the universities, the balance being made up by interest on endowments and grants from the government and local authorities.¹⁸

The conclusion to be drawn from this discussion is evident enough. The educational ladder is an ideal rather than a fact. The position is difficult to grasp because of the diversity and complexity of the system. This may be advantageous so far as the scholars are concerned, since it may imply flexibility rather than rigidity. However that

may be, it is full of perplexities for the statistician, who is tempted to long for a simpler scheme the working of which might more easily allow of analysis.

Apart from the system of full-time education already described, leading up to the university as the final goal of endeavour, there are numerous facilities for part-time and continued education. They may be classed under two heads, of which the first is technical and further education. Some of this work, as, for instance, that done by the National Adult School Union, the Co-operative Movement, the National Federation of Women's Institutes, and the Y.M.C.A., receives little or no support from public funds. It is not easy, therefore, to get figures to indicate the extent of their activities, but they should not be passed over as unimportant. A great part of the education which falls under this head, however, is publicly assisted and directed by local education authorities. It is not possible to draw a strict line between schools and colleges which offer full-time and those which offer part-time instruction, because there are many which provide both.

Table LIV gives the number of students who attended technical and other courses in 1933-4. The great majority of the students are fully occupied in the day and go to these

TABLE LIV¹⁹
Technical and Further Education
England and Wales, 1934-5

<i>Nature of School or Course</i>	<i>Males (000s)</i>		<i>Females (000s)</i>	
	<i>Under 21</i>	<i>21+</i>	<i>Under 21</i>	<i>21+</i>
Junior Technical and Housewifery Schools	17.1	..	6.5	..
Schools of Nautical Training	0.9	..	..	..
Junior Art Departments	1.3	..	0.8	..
Senior Courses in Colleges	4.4	1.7	2.1	0.5
Technical Day Classes	15.5	6.5	4.5	2.8
Art Schools (excluding Junior Art Departments)	19.3	9.7	11.5	14.8
Day Continuation Schools	8.0	..	9.3	..
Institutions (excluding Art Schools) in which Evening Instruction was given	323.7	147.0	210.4	211.3
Total	390.2	164.9	245.1	229.4

classes voluntarily in the evening. The juniors attend for a variety of reasons, some of them rather vague; the older students are more definite in purpose: normally they want vocational instruction. 'Most of them', we are told, 'want to become better equipped, perhaps not so much for the precise work in which they are occupied as for some superior work to which they have a more or less definite prospect of advancement. But it would be as erroneous to suppose that all these students have solely the motive of a personal advantage, to be reaped at some more or less remote date, as to believe that they are moved solely by a zeal for learning.' An interesting point in the table is that whereas females form rather less than two in five of the total under 21 years of age, over that age they actually exceed the number of males.

Secondly, we have to consider what is officially known as adult education. This is a misleading term because technical and further education is also open to adults. By adult education is meant education of a liberal character which is not intended to lead to increased efficiency in any particular vocation. It includes university extension courses and tutorial classes conducted under the control of universities and university colleges, and one-year and terminal courses controlled by 'responsible bodies' such as the Workers' Educational Association. The tutorial classes are of particular interest: they are the most intensive part-time courses of a general as distinct from a vocational nature, for they last not less than three years and occupy at least two hours a week for twenty-four weeks in the year. The demand for them has been stimulated by the Workers' Educational Association, which was founded in 1903, and those who enrol as students are mostly work-people. Table LV shows the number of adult education classes held in 1934-5 and the subjects studied in each type of class.

It is obvious that it is difficult to define education. The most common difficulty is that of distinguishing between something that is sufficiently serious and definite to merit the description of education and something that is not. A

TABLE LV²⁰
Adult Education
England and Wales, 1934-5

<i>Subjects</i>	<i>Preparatory, Three-year, and Advanced Tutorial Classes</i>		<i>One-year, Terminal, and Short Courses</i>		<i>University Extension Courses</i>	
	<i>Classes</i>	<i>Students</i>	<i>Classes</i>	<i>Students</i>	<i>Classes</i>	<i>Students</i>
Literature and Language . . .	172	3,033	326	6,434	95	1,883
Economics	133	2,015	98	1,872	34	732
History—General	79	1,406	173	3,669	38	810
History—Industrial . . .	23	409	54	1,014	6	117
Geography	14	285	34	641	8	118
Aesthetics	32	596	114	2,238	42	824
Natural Science. . . .	55	1,016	154	3,080	28	613
Sociology	122	2,244	244	4,921	62	1,319
Philosophy and Psychology.	153	2,894	162	3,599	57	1,441

less obvious difficulty is that of distinguishing between unbiased and biased education. The former alone deserves to be called education. The latter seeks to teach certain conclusions and does not limit itself to stimulating the student to think for himself. It is a form of instruction favoured by certain political organizations, and, since their teaching arouses fierce resentment, their critics at least would be readily persuaded that these institutions are not educational institutions in the true sense. But it might be difficult to convince many good people that theological colleges are equally unfitted to be classed as educational institutions in the true or, if it is preferred, in the narrow sense. To the extent that they teach a sectarian point of view, they are necessarily biased. It is for that reason that we have in this chapter excluded them from a survey of the educational system of the country.

ENTRANCE INTO OCCUPATIONS

ALL boys and many girls on leaving school look for a job. Owing to the fact that there is no system of compulsory part-time education, the transition from school to wage-earning is usually abrupt. Those who continue their education part time do so at their own wish, or at least without legal compulsion. This sudden change occurring at an early age involves the thrusting-out of these young people into the world and raises problems of the greatest magnitude. It is not, however, with the problems but with the facts that we are here concerned. Let us inquire how many seek employment for the first time every year, what different forms of employment are open to them, and how many these different forms of occupation absorb. The inquiry may be limited to those technically known as 'juveniles', that is, to those between 14 and 18 years of age. It is not possible to make generalizations concerning the small number of older persons who seek to enter the skilled professions.

In 1935 278,523 boys and 272,680 girls, a total of 551,203 were recorded as having left public elementary schools 'for employment'. In addition, 73,586 boys and girls left secondary schools on the grant list, otherwise than to attend other secondary and elementary schools, of whom about 46,000 wished to enter some employment forthwith. There were also 9,331 leavers from junior technical and housewifery schools.¹ Thus, if we make allowance for schools not included above, it appears that some 650,000 boys and girls between the ages of 14 and 18 left schools of various kinds in 1935 with the hope of obtaining employment.

What does industry offer to these young people? What different forms of occupation are open to them? Occupations may be grouped under six heads: (1) occupations in which juveniles are mainly or only employed

and in which the chances of retaining employment until or after the age of 18 are remote: van and messenger boys, for instance, have little chance of retaining employment for more than two or three years; (2) occupations in which a few juveniles are retained: boiler scalers and rivet lads fall within this class; (3) occupations in which there is a reasonable chance of retention but little chance of promotion, such as in the textile industries; (4) occupations with a reasonable chance of retention and good chances of promotion, such as in engineering, ship-building, and printing; (5) casual or seasonal occupations such as dock labour and fruit-picking; (6) occupations, such as in the heavy industries and in transport, where few juveniles are employed.²

Many young persons are thus faced with the necessity of changing their occupations. Frequently they have not merely to change their occupation for another in the same industry, but to find a new occupation in a different industry. This is so because the proportion of juvenile to adult labour varies from industry to industry. There are industries such as the railways where few juveniles are employed. There are again industries, such as retail distribution, in which many juveniles are employed but only a few can be retained. Most of those who enter these industries must continue their industrial careers elsewhere. These difficulties are inherent in the very nature of the industries, and can only be surmounted by well-planned organization. 'Blind alley' occupations cannot be altogether dispensed with, though the hardships now involved by transfer might be considerably reduced. Casual occupations, however, are not inevitable and might be brought to an end.

Those who enter occupations of the fourth class frequently receive some form of industrial training. A distinction may be drawn between apprenticeship and learnership. Apprenticeship implies a contractual relationship between an employer and a worker, the employer undertaking to train the worker, and the worker undertaking to serve the employer on stated terms for an agreed

number of years. The contract may or may not take the form of a written agreement, and if it does the agreement may or may not be an indenture. Learnership is another form of relationship between employer and worker. The worker is engaged for a recognized period of training and is provided with instruction or with definite facilities for learning a branch of the industry.³ It should not be thought that an apprentice is guaranteed a job when he comes out of his time, or even that he is guaranteed against unemployment during his time. It is not uncommon for indentures to contain a clause enabling the employer to 'stand off' the apprentice without pay if there is no work for him.⁴

The choice of an occupation thus presents many problems to these young persons who come forward from school every year. An elaborate system whereby information and advice may be made available seems to be called for. A beginning has been made with the building-up of such a system, though it is still in the early stages. In every district there is either a Juvenile Department of the Labour Exchange or a Juvenile Employment Bureau. The former are administered directly by the Ministry of Labour and the latter by the local education authorities on behalf of the Ministry. Local education authorities have the option to undertake the work if they wish, and in 1935, out of 316 local education authorities, 107 had approved schemes in operation.⁵ Juvenile employment committees supervise the work of these organizations. Since September 1934, when juveniles aged 14 to 16 entered into insurance, all juveniles seeking employment have been obliged to register at an exchange or bureau. Further,

TABLE LVI^o

*Work of Juvenile Employment Committees
England and Wales, 1933 and 1934*

<i>Year</i>	<i>Total Vacancies filled</i>	<i>Juveniles placed in first situations</i>
1933	346,600	113,000
1934	407,900	156,100

since the books issued to juveniles have to be deposited at the exchanges and bureaux whenever they become unemployed, there is information available regarding those who are out of employment.

It is not possible from Table LVI to say how many of the first situations obtained by juveniles are found for them through these committees, and how many find their own situations or are helped to do so by parents or friends. But, however they get their posts, the committee know what employment they have found, and in Table LVII are set out some facts showing how the majority of juveniles were distributed among the main industries.

TABLE LVII⁷

Distribution of Juveniles of Age 14-17 among the larger Industries, Great Britain, 1935

<i>Industry</i>	<i>Boys</i>	<i>Industry</i>	<i>Girls</i>
Distributive Trades . . .	264,370	Distributive Trades . . .	176,890
Coal-mining . . .	71,430	Laundries, &c.	39,030
Building	60,810	Tailoring	33,790
Engineering	56,250	Cotton	33,340
Motor Vehicles	29,200	Printing, &c.	27,150
Miscellaneous Metals . . .	25,730	Miscellaneous Metals . .	26,580
Printing, &c.	24,790	Hotel, Club, &c.	24,890
Furniture making	19,410	Dressmaking	24,390
		Shirts and collars	23,220
		Hosiery	20,840
		Bread, Cakes, &c.	20,770
		Cocoa and chocolate . . .	19,380

It is clear from this table that the distribution of juveniles by industry is very different from that of all employed by industry. This results from the fact already noticed that certain industries take in more juveniles than they can retain; many juveniles, therefore, as they approach adult age, have to transfer to another industry. This fact accounts in part for the large number of placings which are not first placings. Many juveniles leave jobs because they do not like them or are not found suitable for them; but many others have to find new jobs because they must vacate their position on reaching a certain age.

It is not possible to learn much from the table regarding the proportion of boys who take up posts where they obtain a more or less systematic course of industrial training as apprentices or learners. But the Royal Commission on Trade and Industry estimated that skilled employment absorbed about 80,000 boys a year. If this estimate remains valid, it follows that about one boy in four can hope to obtain some form of training which will render him more or less skilled. On the other hand, reports from Juvenile Employment Committees lend support to the view that, with the greater stabilization of industrial conditions, both employers and parents are beginning to look with greater favour upon apprenticeship and learnership than they did a year or two ago.

All occupations where some form of training is given are not open for boys at the same age. Learners usually enter at 14, except in heavy industries, such as iron, steel, and chemicals, where they enter at 16. It is probable that not less than half the apprentices enter at or above the age of 15, and that a third enter at or above the age of 16. Therefore, many boys who get jobs where training is given must either take a 'blind alley' or some other job for a year or so after leaving an elementary school or continue full-time education at a secondary or junior technical school.⁷

In 1935 the average number of juveniles who were on the register and awaiting employment was 118,500 in Great Britain.⁷ Even in the most prosperous times there are a fair number of juveniles technically unemployed; for all school leavers cannot hope to obtain employment at once, and the same is true of those who transfer from one job to another. Unemployment becomes serious when an applicant for work has to wait for it an undue length of time. An analysis made in June 1934 showed that only 7 per cent. of juvenile claimants for benefit (aged 16 and 17) had been unemployed over three months in the prosperous south-east division of England, whereas in Wales the percentage was four times as great.⁸ What is the position of these young people who are awaiting employment? A special analysis made in June 1936 showed that

26 per cent. of the boys and 22 per cent. of the girls, aged between 14 and 16, who were registered as applicants for employment, were still attending whole-time day schools. They had, in other words, either never left school or had returned to school.⁹ The remainder, if called upon to do so, are under the compulsion of attending junior instruction centres.

Choice of employment is limited by educational acquirements, and educational opportunities are limited by the financial position of the parents, except in so far as the educational ladder provides a way out. Most children, therefore, receive an education which enables them to enter the same grade of occupation as their parents. This being so, it might be anticipated that children would tend to enter not merely the same grade of occupation but the very same occupation as their parents. A variety of factors work in this direction. In the first place the localization of industries and the immobility of labour imply that in many areas one kind of occupation exceeds any other kind of occupation in the number of openings it offers. Thus, in mining or textile districts, most parents will be mining or textile workers, and most openings for young people will necessarily be of the same nature. Apart from factors of this nature, there are others which tend to the same result. Thus, parents are more likely to know of openings in their own than in any other occupation.

It would therefore be expected that children would be found to enter the father's trade rather than any other trade. This expectation is borne out by the results of an inquiry made by Messrs. Chapman and Abbott among scholars in evening schools in Lancashire.¹⁰ The investigation covered 2,415 scholars, most of whom were between the ages of seventeen and twenty. The pull of the father's trade was found to be strongly marked. Thus, of the sons of textile workers, 62 per cent. entered the textile industry; the next occupation in order of importance was clerical work, which took 10 per cent. of the sons of these textile workers. 49 per cent. of the sons of clerical workers were

themselves clerical workers; the next occupation in order of importance in this case was textile work, which took 17.5 per cent. On the basis of certain assumptions, which could be partially verified, these authors concluded that 'the relative pull of the father's trade on his children, in comparison with the pull of any other given trade of about the same grade, would tend to be roughly as 3 to 1', if all the trades were of equal magnitude and growing at the same rate.

Another small investigation by Messrs. Ashby and Morgan Jones into the social origin of farmers in Wales also bears upon the same question.¹¹ Records of the antecedents of 834 occupiers of farms were obtained, believed to be fairly representative of the country as a whole, excluding the counties of Flint and Merioneth. As judged by this sample, 75 per cent. of existing farmers were descended from farmers; 11 per cent. were the sons of farm workers; 5½ per cent. were the sons of artisans; 7½ per cent. were sons of other manual workers; and 1 per cent. were sons of persons engaged in other occupations. The surprising result here is that so large a proportion of the incomers were descended from the non-agricultural working class.

More recently, Professor Ginsberg¹² and Mr. C. T. Saunders¹³ have independently explored the matter farther. The former obtained his figures from Professor Bowley's survey of five towns made in 1924, from a special questionnaire, and from data respecting admissions to Lincoln's Inn. From the last it appears that there has been little change in the sources of recruitment of the legal profession during the last forty years. The questionnaire was widely distributed; those who answered it were asked to state their occupations and those of their fathers, grandfathers, and other relatives. Evidence was discovered of an upward movement from the wage-earning to the professional group, and the magnitude of this movement seems to have increased when the past is compared with the present generation. There were very few signs of any corresponding downward movement. From

Bowley's figures Ginsberg deduced that 29·1 per cent. of the sons of unskilled workers were themselves unskilled and that 64·2 per cent. of skilled workers' sons were themselves skilled.

This last conclusion may be put alongside that of Chapman and Abbott, who found that only 10 per cent. of the sons of unskilled workers remained in that grade, and that of Saunders, who found that 58 per cent. of the sons of unskilled workers on Merseyside are themselves unskilled, while 64 per cent. of the sons of skilled workmen are themselves skilled. These differences are no doubt to be explained in large part by the fact that different industrial groups are of very different importance in different areas. Thus on Merseyside, where almost half the working-class fathers are recorded as unskilled, it is far more difficult for their sons to rise into the skilled group than in Bowley's five towns, where only 20 per cent. of the fathers are skilled.

The analysis made by Mr. C. T. Saunders was more elaborate than the earlier contributions. He distinguished nine occupational grades, and recorded, not merely upward and downward movements, but also the number of grades moved up and down. His general conclusions were that 'mobility among occupational grades, while not appearing to increase much over the last generation, is on the whole considerable, but that movements upwards are generally balanced by movements downwards. The social ladder seems to lift more than one man in four to a grade higher than that into which he was born, while more than one man in three falls to a lower grade than his father's. At the same time, movements, both up and down, rarely cover more than a very few rungs of the ladder. Mobility between manual and non-manual occupations is frequent; the moves upwards, however, more than balance those downwards. Between the two generations there has been a considerable accretion of strength to the non-manual relatively to the manual grades. Mobility among industries seems to be even greater than that among occupational grades; only one man in six remains in the same

trade as his father.'¹⁴ The divergence between the last of Mr. Saunders's conclusions and that of Messrs. Chapman and Abbott is again to be sought in local differences of occupational structure. In the Lancashire towns examined by the latter, one or two industries dominate all the others, and choice of industrial employment is very limited. On Merseyside, on the other hand, though there is relatively little skilled employment, there is a wide variety of employments.

Looking at social structure from the point of view of this chapter, there are two possible extremes. On the one hand, a caste system is possible. Under such a régime the 'untouchables' at one end of the scale perform the menial services, and to the sons of the 'untouchables' no other career is open. At the other end, privileges are confined to a favoured group and their descendants. Various societies have from time to time been organized on lines corresponding more or less closely to this state of things. On the other hand, it is possible to imagine a society which is no respecter of persons, where the members somehow get into just those occupations for which they are best suited, no matter what the standing of parents may be. Such a state of society has in many countries at many times been envisaged as an ideal to be striven for, but nowhere, as yet, has it been substantially realized.

The situation in this country is somewhere between these two extremes. It is not possible to say to which extreme it most nearly approximates. Some evidence exists tending to show that at least in certain industries the employers are more often recruited from the wage-earning group than is generally recognized. Messrs. Chapman and Marquis investigated the extent of the recruitment of the employing classes from the ranks of operatives and clerks in the cotton industry.¹⁵ Letters were addressed to about 250 employers, mill managers, and directors, of whom over 70 per cent. replied. Of those replying, nearly 80 per cent. were 'first generation employers'; they had, that is to say, risen from the ranks of wage-earners. The authors supplemented this information

by personal investigation, and, while allowing for the possibility of some error in the actual figures, their broad conclusion is emphatic. 'Universally we found', they say, 'abundant indication, if not rigid proof, that there exists a free channel of no insignificant dimensions through which the directing classes are continually being recruited from the wage-earning classes. Competition undoubtedly exists to an appreciable extent between what have sometimes been regarded as "non-competing" groups.' This conclusion may seem at first sight to conflict with the reference to the textile industry on a previous page, where it was said that the chance of promotion was small. But the conflict is apparent and not real. Just as ex-elementary school pupils form a considerable proportion of all who reach the university, but only a tiny fraction of all who began their education in elementary schools, so here ex-wage-earners form a large proportion of those who reach the ranks of employers, but only a tiny fraction of all who began work as wage-earners.

Freedom of movement, however, is one thing and the getting of the right people into the right place quite another. It is sometimes rashly assumed, especially by the successful, that victorious upward progress is evidence not merely of the fact that some at least have it in them to make their way, but also that those who gain positions of power and responsibility are fitted for them. In addition to the possibility of upward movement there is required a just appreciation of social values in the community which will restrict promotion to those who deserve it.

STATE PROVISION AGAINST MISFORTUNE

THE discussion in the last chapter has brought us back to where we were in an earlier chapter. In Chapter IV we analysed the population by industry, and in the last chapter we discussed how young people get into industry. But it is clear that we have not yet reached our goal. We have now to ask how workers in industry fare. This line of inquiry might lead us to discuss the whole subject of industrial relations. We set out, however, to concentrate our attention upon the social rather than the industrial structure of this country, and, in consequence, many topics which fall under the heading of industrial relations are outside our scope. Workers are menaced by ill health and unemployment, and are faced by old age. What provision, we may ask, is made against these dangers?

It is well known that on the one hand state or communal schemes exist, and that on the other hand voluntary provision is made on a large scale in many ways. The extent of the latter is not widely known, and some reference to it is in any case desirable. The state schemes are for the most part very familiar. Millions come under them, and the rates of contribution and of benefit do not require mention here. We might, in fact, dismiss them with a mere reference and pass on to voluntary schemes, were it not that an important aspect of the state schemes is not so familiar and deserves some discussion. We have dealt with the national income and its distribution. The distribution described, however, takes no account of taxation, and, to the extent to which these state schemes tax those who do not benefit under them and use the money to benefit others who contribute less than they receive, there is transfer from rich to poor. We may therefore briefly mention the state schemes in this chapter, laying stress upon certain aspects which are not generally familiar and upon

others which are relevant to the discussion of the transfer from rich to poor which will follow in the next chapter.

State schemes which have as their object the prevention and cure of ill health are not confined to those of working age. Public concern, in fact, begins with the babe unborn. Various services, classed together under the head of maternity and child welfare, include the provision of the services of midwives, health visitors, and nurses; of welfare centres, day nurseries, and maternity and convalescent homes. Milk and food for infants is provided, sometimes free or below cost price. The total expenditure from public funds upon these services in Great Britain in 1933 exceeded £3½ millions.¹ Under the Maternity and Child Welfare Act these services can be made available for mothers and children up to the age of five; but at present little is done for children between the ages of two and five. Until recently there was another gap in this network of services. Young people between the ages of fourteen and sixteen were relatively neglected. At the age of five, when children enter the elementary school, the medical staff of the local education authority descends upon them and subjects them to a medical inspection. This examination is twice repeated during their stay in the elementary school, between the ages of 8 and 9 and again between the ages of 12 and 13.

The duty first imposed upon local authorities was the examination of elementary school children. They are now also obliged to inspect pupils in certain secondary schools under Section 80 of the Education Act, 1921. This section further gives authorities the power to make provision for the medical treatment of all pupils in these schools.² If special as well as routine inspections are counted, some 3 million children, or about three-fifths of the average attendance at elementary schools, come before the doctors in the course of a single year apart from re-inspections.³ What, it may be asked, is the result of all this? A quotation from the medical report for 1924 is illuminating. It is stated that when doctors first began to visit the London schools in 1902, 'the conditions found were indescribable.

In many schools scarcely a girl was free from infestation, and vermin could be seen dropping from the heads of the older girls as they stooped over their lessons.' By 1913 67 per cent. of the older girls were free from verminous heads, and by 1934 the number of children found unclean was practically negligible.⁴ Great as has been the improvement in respect of cleanliness, the results of inspection show that the percentage of children examined who are found to require some form of treatment is large and shows little sign of diminishing. Out of over $1\frac{1}{2}$ million children inspected in 1934 in elementary schools other than in London, 17.5 per cent. were found to require some form of medical treatment, while in London the corresponding figure was 15.5 per cent.⁵ All but two of the 316 local education authorities also made provision for dental treatment, and, out of the $3\frac{1}{2}$ million children examined, 69 per cent. were found to require treatment.⁶ The total cost of the medical service in ordinary elementary schools amounted in 1933-4 to about £2 millions, but this figure, large as it is, may be regarded as a comparatively small premium for health insurance; it represents only about 3.58 out of every £100 spent on the ordinary services of public elementary education.⁷

These state schemes for the medical inspection of children are free, but the rule is that the parents of all children requiring treatment shall pay for it if their means allow. Local education authorities are also permitted to provide meals for school children. If children are observed to be suffering from signs of malnutrition, and if their parents are necessitous, the meals can be given free. But arrangements are sometimes made whereby the children of parents, who want their children to be fed at school and are prepared to pay for it, can also get school meals. In 1934/5 406,000 children were given 68 million meals of breakfasts, dinners, teas or milk; most of them got the meals free, but in some cases the parents paid.⁸

After this brief reference to communal provision for the benefit of those under fourteen, let us now ask what schemes are in operation to safeguard those who enter

industry. As observed above, young people who enter industry between fourteen and sixteen were somewhat neglected. But, as from September 1934, the first step was taken to repair this omission, for the minimum age of entry into unemployment insurance was lowered from 16 to 14 years of age. Entry to the health insurance scheme, however, still only begins at 16. Under this scheme all persons, subject to certain exceptions, who are employed in a contract of service in manual labour, or in non-manual employment at a rate of remuneration not exceeding £250 a year, are required to be insured, and they become entitled to benefits in the case of ill health, orphanhood, widowhood, and old age.⁹ The benefits in the case of old age only began to operate on January 2nd, 1928, and are now receivable between the ages of 65 and 70.¹⁰ After 70 old-age pensions are available under the non-contributory scheme which is of longer standing.

That part of the insurance scheme which provides benefits in widowhood and orphanhood came into effect in 1926, being grafted upon the national health insurance scheme, which had been in existence since 1911. With regard to the latter we thus have statistical information extending over a period of twenty-five years. The total number insured under the scheme in the United Kingdom is roughly 18½ millions, in the proportion of about two men to one woman.¹¹ The total income from contributions of employers and employed in Great Britain and from interest on accumulated funds amounted in 1933 to £32,803,000, and in addition £6,176,000 was contributed by the Exchequer. Apart from the administrative expense incurred by the central departments, the state, in fact, bears one-seventh in the case of a man and one-fifth in the case of a woman, of the cost of medical benefits. The expenditure on benefits was £30,411,000 and the cost of their administration £5,597,000, leaving a substantial balance.¹² The accumulated fund, amounting to £146 millions for England alone¹³ at the end of 1935,*

* This includes nearly £65 millions invested with the National Debt Commissioners and £48 millions invested by or on behalf of Approved Securities.

is regarded as belonging to the contributors as a whole, who have secured a more certain title to it than have the contributors to such a fund as the Road Fund.²

The working of the scheme has resulted in the collection of a vast amount of data, for the most part of medical interest. Incidentally it enables us to form some idea of the amount of working time lost through ill health. To this matter we shall refer later, when we are in a position to compare the amount of time lost through ill health with that lost through unemployment and strikes. We shall also examine how far this scheme, together with others to be considered in this chapter, bring about a transfer of wealth from rich to poor. Here we may content ourselves with noticing that those who signed the Majority Report of the Royal Commission on National Health Insurance (1926) came to the conclusion that the scheme had fully justified itself, and 'has now become a permanent feature of the social system of the country'. In this opinion the four signatories of the Minority Report in general concurred.¹⁴

Alongside the state provision against ill health stands the unemployment insurance scheme. All employed persons between the ages of 14 and 65 come under the scheme except (1) non-manual workers earning over £250 a year; (2) outworkers and persons engaged in domestic service; (3) employees of railway companies, local authorities, and others having approved schemes of their own.* The total number of persons insured against unemployment in Great Britain and Northern Ireland in July 1935 was just over 12 $\frac{3}{4}$ millions.¹⁵ As in the case of national health insurance the contributions and benefits need no mention here. One aspect of the scheme is, however, so often misunderstood, partly because the conditions have been frequently changed, that the present position may be set out. An insured person is not, as a general rule, entitled to more than 156 days' benefit in an individual benefit year, and no further benefit is payable in a suc-

* A new Act came into operation in 1936, bringing agricultural workers for the first time within the scope of national insurance, but subject to special rates of contribution and benefit.

ceeding year unless and until at least 10 contributions have been paid in since a defined date as the result of re-engagement in an insured occupation.¹⁶ But, on exhaustion of benefit, an insured person may receive unemployment assistance indefinitely, so long as he satisfies certain specified conditions and passes the means test. If the word 'dole' is applicable at all to this scheme, it is only with regard to unemployment assistance that it could be justified.

The working of the scheme provides statistical information of great interest. We have already employed in Chapter IV data thus derived bearing upon changes in numbers in various industries. We may confine ourselves here to a reference to the most recent inquiry made by the Ministry of Labour into the employability of a random sample of approximately 7,700 persons, aged 18 and over, on the registers of employment exchanges at October 1st, 1934.¹⁷ The employment exchange officers who interviewed these men and women were asked to place each of them in one of the following categories of employability:

- A. Persons suitable on all grounds for submission to the employer.
- B. Fully qualified by industrial experience, but personal qualifications (e.g. age or physical condition) such as to make acceptance by the employer doubtful.
- C. Personal qualifications suitable but industrial experience such as to make acceptance by the employer doubtful.
- D. Both personal qualifications and industrial experience such as to make acceptance by the employer doubtful.

The officers placed 67 per cent. of all males interviewed in Class A, as being suitable on every ground for submission to an employer seeking workers, 20 per cent. were placed in Class B, 8 per cent. in Class C. The corresponding proportions for the random sample of women

were 73, 15, and 7 per cent. Less than 5 per cent. of each sex were allocated to Class D, both their personal qualifications and their industrial experience being judged to be such as to make their acceptance by an employer doubtful. It was found, further, that persons who qualified for insurance benefit came out better than those who only qualified for transitional payments—the equivalent of unemployment assistance now—and both came out better than non-claimants, including insured and uninsured persons. Among the males sampled, for instance, in the first group 82 per cent. were placed in Class A and only 1 per cent. in Class D; in the second group 58 per cent. were placed in Class A and 5 per cent. in Class D; while in the group of male non-claimants only 37 per cent. were placed in Class A and nearly 17 per cent. in Class D. The figures for females were broadly similar.

If we had similar particulars for a sample of those in employment we could institute a comparison between the two groups. As things are, we can make no comparison between employed and unemployed. But an inspection of the above figures seems to indicate that the latter cannot be markedly inferior in health and physique to the average of the former. There seems to be no reason to suppose that the bulk of the unemployed are out of work because of any inferiority in endowment or equipment. They are presumably the victims of ill fortune. It may, however, be that most of those falling within Class D would under any circumstances be out of work chiefly because of mental or physical defect.

It may be of interest to compare the time lost through sickness and unemployment. To these figures may be added others showing time lost through trade disputes. The amount of time lost through sickness does not show great variations from year to year, whereas the figures for unemployment and trade disputes exhibit variations so great that it would be necessary to give figures for a number of years to gauge properly their extent.

These figures must be used with caution. The sickness figures refer only to the insured population and do not

TABLE LVIII¹⁸

*Number of Weeks (millions) lost through Sickness, Unemployment, and Trade Disputes
Great Britain, 1921 to 1924*

<i>Year</i>	<i>Sickness</i>	<i>Unemployment</i>	<i>Trade Disputes</i>
1921	..	93	14.3
1922	22.3	81	3.3
1923	23.0	66	1.8
1924	26.0	58	1.4

include the first three days of illness. The figures are certainly well within the facts. The unemployment figures were obtained by taking an average of the 'live registers' of the employment exchanges in Great Britain. The figures given considerably underestimate the total loss of time through unemployment, because they take no account of those who, not being insured against unemployment, have no valid claim to benefit or, having no valid claim, do not register at the exchanges. The figures given under Trade Disputes only represent the time lost at the works actually involved in the disputes; time lost by workers only indirectly affected is not included.

For these reasons the figures must only be taken as very rough estimates. They are all underestimates, but not necessarily to the same extent. They do, however, afford some indication of the relative importance of unemployment, sickness, and trade disputes as causes of lost time during these years. It is clear that unemployment has been more important than sickness, and sickness more important than trade disputes. Judged in this way, industrial disputes look comparatively insignificant; a survey of the thirty-two years between 1893 and 1924 shows that the loss of working time per head of the whole employed population averaged less than one day per year.¹⁹ In other words, if during these years there had been five instead of four bank holidays a year and no industrial disputes, the loss of working time would have been the same. It must be emphasized, however, that the loss of time through trade disputes calculated in this way is a very incomplete

measure of the actual loss, because it takes no account of the loss through dislocation of trade and in other ways. In fact, an extra bank holiday and no trade disputes during these years would have resulted in a much smaller true loss than was actually incurred. Taking the above figures as they stand, we find that trade disputes account for a loss of about $\frac{1}{2}$ per cent. of the total working time; that, if we refer to the figures for sickness in the table to the total who come under the national health insurance scheme, the time lost through sickness is equivalent to about 3 per cent. of full employment.²⁰ According to the latest available figures, the estimated total number of weeks' sickness, represented by the payments of sickness and disablement benefits by approved societies in England and Wales, amounted to 29 millions.²¹ Unemployment, of course, has been at a high level in recent years. For insured workers alone, if a working week be taken as equivalent to $5\frac{1}{2}$ days, the average number of weeks lost annually in Great Britain during the last seven years, 1930-6, has been roughly estimated at 124 millions.²² Also, the aggregate time lost by workpeople involved either directly or indirectly in trade disputes was 1,955,000 working days in 1935 as compared with nearly 960,000 in the previous year.²³ On the same hypothesis as before this would be equivalent to 0.36 million weeks in 1935.

We have mentioned the more important schemes whereby the State attempts to provide against ill health and unemployment by assisting directly certain classes of persons. It is not possible to describe the many ways in which the State attempts to achieve the same ends by improving conditions rather than by assisting individuals. Sanitary and housing legislation and the provision of facilities for arbitration come to mind. It is equally beyond our scope to discuss the measures taken in certain industries to ensure a minimum wage, as a result of which the minimum remuneration of over a million workers in various trades in Great Britain is fixed by 47 trade boards,²⁴ and probably of not less than 600,000 agricultural workers²⁵ by the agricultural wages boards. We

have, however, still to say something concerning the state scheme for provision against old age.

To those entitled under the contributory scheme to pensions between the ages of 65 and 70 non-contributory pensions of 10s. a week become available when they reach the age of 70. Other persons also receive a similar pension at the age of 70 if they fulfil certain conditions. In 1920 non-contributory pensions became available to blind persons at the age of 50. An applicant for a non-contributory pension must show that his or her means do not exceed approximately £1 a week, although a pension at a lower rate is payable if the person's means do not exceed 10s. a week. In calculating means, account is taken of earnings in full, but means not derived from earnings are subject to deductions. In 1935 the number of pensioners under the non-contributory scheme in Great Britain was 704,011, and the total sum paid out in the year was £18,596,000.²⁶

XIV

COMPULSORY TRANSFER FROM RICH TO POOR

CERTAIN features of the schemes mentioned in the last chapter are familiar. One feature of interest and importance, however, needs further emphasis. The social services bring about a transfer in the form of money, goods, or services from rich to poor. Transfer of this nature must result from any scheme which fulfils either or both of the following conditions. If the service is reserved for the poorer section of the population and the money to administer the service is raised compulsorily from the whole population, or if the service is shared by all but more money is contributed by the rich than by the poor, there will be transfer. Let us ask how the schemes we have mentioned operate when regarded from this point of view.

The national insurance schemes provide benefits which are available only for a certain section of the population; salaried persons, for instance, whose incomes exceed £250 a year do not come under the schemes. These services are not restricted to the very poor; they are in general available for the wage-earning class and the lower paid among salaried workers. But, since the funds out of which provision is made for these services are in part derived from taxation, the richer people who do not benefit nevertheless contribute to the funds. The state insurance schemes in fact are not mutual insurance schemes in the sense that all contributors are entitled under certain circumstances to benefit. It may be argued, and with justice, that in a sense those who contribute but do not benefit directly, nevertheless benefit indirectly as a result of the improved health and well-being of the population as a whole. But this, though not irrelevant from one point of view, does not affect the accuracy of the statement that these insurance schemes bring about a certain redistribution of wealth.

The operation of the non-contributory old-age pension scheme obviously involves redistribution. The whole fund whence the pensions come is derived from taxation, and the pensions are strictly limited to poor persons. The position with regard to the schemes coming under the head of maternity and child-welfare is not so clear. The benefits are in some cases limited to certain classes of persons, whereas in other cases, while there appear to be no legal restrictions as to who may benefit, it is customary only for poor persons to take advantage of them. School medical inspection stands in a different position. Any parent, however rich, can send his children to an elementary school, where they will enjoy free medical inspection. Medical treatment is, however, only given free to children of necessitous parents. But the rich do not send their children to elementary schools, and thus here again, in respect of medical treatment though not in respect of medical inspection, there is redistribution.

Thus the services mentioned in the last chapter all involve transfer from rich to poor because, while all contribute to the cost of the services, the poor alone benefit. It may also be noticed that they bring about transfer to some extent between persons within the same income class, from well to sick for example. In other words, the first of the two conditions mentioned above is fulfilled. It will be pointed out later that the second condition is also fulfilled; for it will be shown that the rich contribute a larger proportion of their incomes by way of taxation than do the poor, and that, therefore, even if these schemes were all open to the rich and were used by them, there would still be transfer.

There are other services which bring about a redistribution of income. We are not thinking of the provision of public parks, libraries, baths, and similar services and benefits. It is true that the cost of such services falls upon the whole community and that the benefits are for the most part enjoyed by, though not limited to, the poorer section of the population. We do not include them because the benefits are not in fact felt to constitute, and can only with great difficulty be converted into, a measurable addition to

individual income. If, however, we are to complete our survey of schemes which do result in a measurable addition to the incomes of the less well-off section of the population, partly at the expense of the rich, we must not omit mention of certain other services of which the most important are education and poor relief.

The education services were mentioned in a previous chapter; they may be regarded as providing the necessary equipment for life. The benefits are open to all to enjoy, but in practice are not received directly by the rich. Public assistance was not mentioned in the last chapter, because it is to be regarded not so much as a provision against misfortune as a provision for those upon whom misfortune has fallen. In a latter chapter we shall point out that, in spite of the services giving some equipment for life and of services aiming at provision against misfortune, failure in the form of poverty occurs on a large scale. Public assistance is, as it were, a net of so fine a mesh spread beneath the other schemes that all those, who are not caught and sustained in days of trial by one of them, are caught by it and at least maintained alive. Housing, hospitals, and some other services, though of less importance from the point of view of the amount of money involved, have been included in the following table since they also operate with a similar result.

The figures for the number of persons benefiting cannot be given for all the services in the table, and such figures as are available are not very informative. Some beneficiaries may receive much and others little; in any case the figures must not be added, because many people benefit from more than one service, from the unemployment and health insurance schemes for example. But the figures that are given are interesting. The total expenditure on all the services included in the table was £447 millions, of which the beneficiaries directly contributed nearly £50 millions. This does not represent the total extent of the contributions of the beneficiaries, for they pay rates and also indirect taxes on food, drink, tobacco, and other articles. Nevertheless, a considerable part of the money

TABLE LIX¹

*Expenditure on Public Social Services
Great Britain, 1934 or latest available year*

<i>Expenditure under the following Acts</i>	<i>Expenditure £M.</i>	<i>No. of Persons directly benefiting (000s)</i>
Unemployment Insurance. (i) Insurance Benefit . . .	52·9	12,540
(ii) Transitional Payment and Unemployment Allowances	46·2	
Health Insurance	36·7	18,481
Widows', Orphans', and Old-Age Contributory Pensions.	43·2	2,083
Old-Age Pensions (non-contributory)	42·4	1,799
Education	105·7	8,005
Relief of the Poor	49·2	1,886
Housing	46·1	*
Hospitals and Treatment of Disease	13·8	*
Maternity and Child Welfare	3·4	*
Lunacy and Mental Deficiency	6·6	*
Approved Schools	0·6	8
Total	446·8	*

* It has not been found practicable to state the total number of persons benefiting in the case of the starred services. Also, it should be observed that many persons receive benefit under more than one Act. The numbers entered opposite Unemployment and Health Insurance are the numbers of insured persons covered by the national schemes.

spent is taken from non-beneficiaries, employers, and the richer section of the population by way of rates and taxes. Since money is taken from non-beneficiaries, whether or not they are prohibited from benefiting, the first of our conditions is fulfilled and there is transfer from rich to poor.

The next question concerns the method of collecting the contributions of the non-beneficiaries. The method might take the form of a levy of a certain sum per head, rich and poor paying the same, or of a certain fraction of each man's income. In the latter case a rich man would pay absolutely more than a poor man, though relatively to their incomes their contributions would be equal. Again, the levy might extract a fraction of each man's income, but a larger fraction the larger the income. Under these circumstances the rich man would pay both absolutely and proportionately more than the poor man. What is the method in use in this country to-day?

It is not possible to say anything regarding local rates because we have no information as to the incomes of those living in houses of different rateable values. •Illustrative figures, however, can be given showing the percentage of income taken as income tax from incomes of different amounts. They are shown in Table LX. The taxpayer is assumed to be married and to have three children under the age of 16. The figures show what proportion of his income is taken assuming (1) that his income is wholly earned; and (2) that half is earned and half investment. It is evident from Table LX that for a married man with three children income tax is steeply graduated; the man

TABLE LX*

*Amount and Percentage of Income taken as Income Tax
(Married Man with 3 children)*

	<i>Amount of Income Tax</i>					
	<i>Income wholly Earned</i>			<i>Income half Investment</i>		
	1913-14	1925-6	1936-7	1913-14	1925-6	1936-7
£	£	£	£	£	£	£
250	2.2	..	..	2.9	..	..
350	6.0	..	..	7.7	0.6	..
500	12.0	10.2	3.2	15.3	14.3	7.1
1,000	38	81	83	48	98	107
2,000	75	264	297	96	281	321
5,000	292	1,096	1,346	292	1,096	1,346
10,000	758	2,996	3,716	758	2,996	3,716
20,000	1,592	7,371	9,254	1,592	7,371	9,254
50,000	4,092	22,121	27,654	4,092	21,121	27,654

<i>Percentage of Income Taxed</i>						
£	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.
250	0.9	..	..	1.2	..	..
350	1.7	..	..	2.2	0.2	..
500	2.4	2.0	0.6	3.1	2.9	1.4
1,000	3.8	8.1	8.3	4.8	9.8	10.7
2,000	3.8	13.2	14.8	4.8	14.1	16.0
5,000	5.8	21.9	26.9	5.8	21.9	26.9
10,000	7.6	30.0	37.2	7.6	30.0	37.2
20,000	8.0	36.8	46.3	8.0	36.8	46.3
50,000	8.2	44.2	55.3	8.2	44.2	55.3

* Compiled from information as to the basis of income tax levied, given in the Annual Reports of the Commissioners of Inland Revenue.

with £50,000 a year is left with less than half this sum when he has paid his tax, whereas the man with under £350 pays nothing and the man with £500 pays less than 2 per cent. of his income. Also, a tendency may be noted for the tax on the lower incomes to fall and the tax on the higher incomes to rise.

But there are also indirect taxes in the form of customs and excise which the poor man cannot altogether escape. In the lowest income levels it is the indirect taxes which are important, especially the taxes on alcohol, tobacco, tea, and sugar, and the characteristic feature of indirect taxation is regression, that is, the lower the income, the higher is the proportion paid in tax, though the non-smoker and total abstainer get off comparatively lightly.² In the absence of knowledge concerning the amounts paid in indirect taxation by rich and poor, we cannot say precisely what proportion of their incomes rich and poor pay respectively in taxation. But from the income tax figures it is plain that the rich pay more than the poor both absolutely and relatively to the funds whence government expenditure upon the social services comes. Consequently re-distribution is brought about, not only by the fact that the rich do not benefit directly from the public social services, but also by the fact that they make greater contributions by way of taxation than the beneficiaries.

Arising from the foregoing discussion there are two matters of interest which deserve comment. There are persons who contribute to, but derive no direct benefit from, these services. But there is no one who does not derive indirect benefit. Modern society is a community in the sense that it is not a mere aggregation of persons. The good or ill fortune of any single member of the community has a bearing upon the fortunes of all. Employers, for example, benefit indirectly but substantially in so far as the health of the people is improved by these services and the educational level raised. It is an entire misapprehension of the position to suppose that the transfer is wholly at the expense of the rich.

The second matter that is worthy of mention in this

connexion takes us back to our discussion of the distribution of income in an earlier chapter. The income there under review did not include benefits whether in cash or in kind arising under state schemes. When, therefore, we are considering the position of the poorer section of the population, it has to be remembered that their real incomes are augmented by these services to the extent to which they are paid for by the rich. We observe that, in the light of Pigou and Clark's³ investigation, the position of the wage-earners at the end of 1934, as measured by their real wages, appears to have improved since July 1914 to the extent of about 15½ per cent. But since the earlier date new social services have been inaugurated and the previously existing services increased. It is not easy to find an adequate measure of this increase, but perhaps we might take the ratio of the aggregate expenditure out of local rates and parliamentary grants on social services to the total wage bill of the country. This ratio appears to have changed from about 8.2 per cent. in 1911 to about 12.4 per cent. in 1925 for Great Britain, and since the latter date it must have been nearly doubled.²

It follows that if we are to obtain an adequate comparison of the position of the wage-earners in 1914 and at the present day we must not leave the social services out of account. The prevailing impression among those in close touch with concrete social problems and conditions is that the position of the poor has improved during the last three decades. The impression is correct, and the improvement is due in no small part to the extension of social services and to the transfer from rich to poor which they imply. 'In this transfer', wrote Mr. Henry Clay in 1927, 'is to be found a part, at any rate, of the explanation of the improvement in the economic condition of the poor which even the war has not neutralized. The check to the rise in real wages has been compensated for by the increased provision of social services by the State and by compulsory advances in wages, in the form of insurance contributions, imposed on employers. At the same time the Insurance Acts and the Trade Boards Act promoted a rearrangement

or redistribution of income to the points at which the evil of poverty pressed hardest. Although the full extension and development did not come until after the war—indeed, has not come yet—there existed when war broke out, in a complete if undeveloped form, a policy for dealing with the evil of poverty.’⁴

VOLUNTARY PROVISION AGAINST
MISFORTUNE

STATE schemes intended to safeguard the poorer section of the population in unemployment, ill health, and old age are of recent growth. Voluntary schemes having the same objects in view have long existed, and continue to flourish alongside the official organizations. To complete our picture, some review of the nature and extent of these voluntary organizations is desirable. They are, however, far more difficult to summarize than the official schemes, owing to their number and diversity. Moreover, the most important type of voluntary effort is that which is concerned with saving money for use in emergency or when some abnormal expenditure is required. Thus, while the state schemes are directed against defined emergencies, most voluntary effort is made to provide against the necessity for any unusual expenditure whatever the cause may be.

We may begin, therefore, with a review of the savings of the poorer section of the population. It is, of course, possible for the poor man to invest, so far as his means allow, in limited liability companies in precisely the same manner as does the rich man. But there are many difficulties in his way. It is often impossible to purchase stocks and shares except in relatively large amounts, and the process of buying and selling normally includes the payment of fees and duties; the whole apparatus of the stock exchange is in fact ill designed for use by the poor man. We do not know precisely how far the small investor places his money in stock exchange securities, but it is certain that he only does so to a very small extent. Therefore, in omitting this form of saving, as we must, it is unlikely that our picture is thereby rendered seriously incomplete.

There are various means of saving, however, which are

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1922 had been bought by those classes whose needs they were primarily intended to meet. We have adopted this estimate in our table, and have taken into account one half of the total amount sold up to March 31st, 1935. It is also known that the Post Office Savings Bank and the Trustee Savings Banks are used by rich as well as by poor persons, though it is certain that their holdings in them do not amount to anything approaching the fraction which they hold of savings certificates. Again, to some extent the funds of building societies and industrial co-operative societies have been subscribed by persons who do not belong to the working class. No estimate, however, exists, nor do there appear to be any data available for forming an estimate, of the extent to which the funds under these heads are held by other than small investors. Therefore we give the funds under these headings without deduction.

If it be said that our table exaggerates the savings of small investors, so far as certain items are concerned, the objection must be allowed. It does not follow that the totals of all our items exaggerate savings of this nature. This is so not only because certain items, as for instance trade union funds, are understated, but also because other forms of working-class savings are left entirely out of account. We have already mentioned the holdings of small investors in limited companies, and there are also their savings in small clubs, which are now very numerous and concerning which no data exist.

Our table is, in fact, a very rough estimate. So rough is it that no stress whatever can be laid upon the precise figures obtained for the total of savings. But it is not without its uses. It may be said to show that the total savings of small investors are very far from negligible. More important is the possibility which the table affords of making comparison between 1925 and 1934. Have the savings of small investors increased during this period? When comparing our totals for the two years we have to take into account the change in the value of money, the increase in population, and interest on unspent funds. The index number for wholesale prices decreased 40 per

cent. between the two dates.⁷ Taking this fact into account, the 1934 figure would be equivalent to £3,535 millions at 1925 prices. But the population of Great Britain increased between 1925 and 1934 by nearly 4 per cent.,⁸ and when allowance is made for this and for the accumulated interest on unspent funds, the last-named total would be somewhat reduced. But it is certain that small investors have increased their savings during this period. We therefore conclude that the aggregate savings of the small investor are not inconsiderable and are being increased, in spite of the depression and of the fact that the state schemes of compulsory provision against misfortune have been greatly extended. There is no evidence in fact that the advent of state schemes has led to a slackening of individual effort to provide against the chances and changes of life.

Among those institutions which we have called working-class provident institutions there are some, the operations of which are on so large a scale and so closely affect the daily life of the mass of the people, that further reference to them seems desirable. From both points of view industrial assurance companies and collecting societies have the first claim to consideration. We depend for our information upon the Report of the Committee presided over by Lord Parmoor, supplemented by the annual reports of the Industrial Assurance Commissioner who was subsequently appointed to supervise and to some extent to control the activities of these bodies.

Industrial assurance differs from ordinary assurance in that the sums assured are mostly small and the premiums collected weekly by agents. The Parmoor Committee found that the average premium on all industrial policies was under 2½d. a week, and the average sum assured was between £11 and £12. These sums are usually payable at death, and infants are frequently insured soon after birth.⁹ This form of assurance is effected both through profit-making companies and collecting societies. The system is essentially similar, however conducted. It is true that large profits are usually made by the companies

and that no profit is made for shareholders by the societies, which take the form of 'mutual' institutions. The administration costs are, however, high in both cases, so that from the practical point of view the result is much the same for those who insure in either fashion. The extent of industrial assurance may be gauged from the fact that in 1918 the companies and societies were estimated to employ 70,000 agents, and that there were 51 million policies in force. In 1933 the number of policies in force had risen to 87 millions.¹⁰

The agents work on commission and receive as payment between 15 and 25 per cent. of the amounts collected. In addition they often receive the whole of the premiums for the first 12 or 16 weeks on any new business. 'It is not surprising, therefore,' the Report of the Parmoor Committee states, 'to find that about 44 per cent. of the total premium income on industrial policies is absorbed by expenses and commission and, in the case of the companies, by dividends to shareholders. Thus of every 1s. paid in premiums, 5½d. goes in expenses of one sort or another, and only 6¾d. comes back to the assured in benefits.'¹¹ Regarding other aspects of the system the Report, referring to 1918, states that the policies issued by the companies are almost 'invariably granted without the right to participate in profits' and they 'generally carry no right to surrender value . . . upon lapse'. The evidence showed, moreover, that a very large proportion of all the policies taken out did lapse within three or four years, and the bulk of them within a few months of the date of their origin. From figures supplied by ten offices (including most of the largest) it appears that nearly 5 million policies lapsed in 1913, and nearly 4 million of these had only been effected in 1912 or 1913. When lapses occur, the greater part of the money collected goes to the agents as commission. In fact, speaking generally, any margin in the premium over 'costs of assurance and economical administration' finds its way mostly into the pockets of the agents, although in assurance companies, as distinct from collecting societies, the shareholders secure a handsome

portion. For instance, in the largest of all the companies, the shareholders 'received before the war £600,000 a year as dividends on a capital of £1,000,000, and latterly £400,000, in each case free of income tax'.¹²

Following upon the Report of the Parmoor Committee changes were made in the law, and, as already indicated, an Industrial Assurance Commissioner was appointed. The position in 1933 may be briefly summarized from his reports, which cover 15 companies and 155 collecting societies. The figures for both types of institution are combined in Table LXII, where in addition are shown separately the figures for the two largest companies. The average sum assured by the new assurances in 1933 with the companies was £19, and with societies £16. Nearly £59 millions were collected in premiums, mostly in pence and from door to door, during that year 1933, and for about a third of this amount the agents of one company alone were responsible.¹³

TABLE LXII¹⁴

*Industrial Assurance
Great Britain, 1933*

<i>Combined Returns from 15 Companies and 155 Collecting Societies</i>	<i>All Companies and Societies</i>	<i>Prudential</i>	<i>Pearl</i>
Number of Policies issued during the year . . .	M. 11.2	2.4	1.3
Number in force at the end of the year . . .	" 87.0	26.8	10.2
Total Funds at the end of the year . . .	£M. 316.2	145.8	34.0
Total Income . . .	" 76.1	28.4	9.1
Amount of income collected in premiums . . .	" 58.9	19.5	7.4
<i>Returned to the Insured:</i>			
{ Death and Maturity Claims . . .	" 26.0	9.0	3.3
{ Surrender Value of Lapsed Policies . . .	" 5.5	3.4	0.3
Ditto, as percentage of premium income . . .	% 53.5	63.6	48.7
Commission and other expenses of Management . . .	£M. 20.8	5.4	2.4
Ditto, as percentage of premium income . . .	% 35.3	27.7	32.4
Miscellaneous Expenses (including in the case of Companies, Shareholders' Profits) . . .	£M. 4.0	2.4	0.6
Amount added to the Funds carried forward . . .	" 19.8	8.2	2.4

When we inquire into the working of the system since the publication of the Parmoor Report and the alteration in the law, we find considerable improvement. In 1933 some 35 per cent., against 46 per cent. in 1920, of the

total received from the insured population went to the agents as commission and to meet clerical and other administrative expenses and, in the case of Companies, to pay dividends. It may be noticed that the Parmoor Committee did not suggest that the agents were overpaid. They heard evidence to the effect that they were underpaid and, while not expressing any opinion on the point, remarked that 'if there is underpayment, as asserted, it is not due to any undercharge on the assured for the services rendered to them'.¹² The position of the agents may be not unlike that of certain retailers who assert that their incomes are not large and who, nevertheless, take a large margin on each transaction. They most certainly do not undercharge the consumer for the services they render, and, if they do not get a reasonable living out of it, the system must be faulty at some point. Looking further at the situation, it emerges from the figures shown in Table LXII that, out of every £100 collected from the insured little more than one-half was on the average returned to them in benefits of any kind, including the surrender value of lapsed policies. In 1925 only 37 per cent. was returned;¹⁵ but, though there has been a marked change for the better, there is still plenty of room for improvement.

It may be mentioned in passing that the opportunities of assurance for the wage-earning class are not limited to institutions using the costly services of agents. The Post Office gives facilities, but in 1934 only 1,298 contracts for annuities were entered into.¹⁶ The system has been a dismal failure as regards size of business. The want of success is generally attributed to inadequate advertisement and to the fact that the system is not organized with sufficient regard for what the public require. There are also facilities for assurance given in connexion with the consumers' co-operative movement, and the administrative expenses of this form of assurance amount only to a relatively very small percentage of the premium income.

We may now pass on to Friendly Societies, which also play an important part in the lives of the poorer section of

the population. They are, however, not all of one kind. The principal object of some is to insure against sickness, accident, or death, or to provide superannuation pay. Others combine one or more of these benefits with the features of a savings bank, the funds being accumulated for the individual members or being divided out among them periodically. One of the most remarkable features of the Friendly Society movement during recent years has been the growth of societies in the deposit class. Between 1914 and 1932 their number in Great Britain increased from 82 to 192, the membership increased from 572,000 to 1,746,000, and their funds from £4,899,000 to £19,663,000. Taking the figures for Friendly Societies orders and branches together, thus including the whole of the Friendly Society movement proper, it appears that in 1932 the work in Great Britain was undertaken by 20,795 registered organizations (including branches), covering a membership of 7,805,000 persons. The expenditure on benefits may be estimated at approximately £11 millions or about 28s. per member, about half the amount representing sickness benefit. The accumulated funds amounted to over £15 per member.¹⁷ In the ordinary Friendly Societies, as in the Trade Unions, a great deal of the expense involved in the collection of weekly contributions is saved by requiring each member to bring or send what is due from him to the lodge, court, tent, or branch to which he belongs, and this affords an opportunity for social intercourse which has been a valuable feature of these societies.

In addition to those we have mentioned there are various other societies registered under the Friendly Societies Acts, including Working Men's Clubs, Loan Societies, Benevolent Societies, and a miscellaneous group. Apart from Working Men's Clubs, which in Great Britain numbered 2,189 in 1932 with a membership of 651,978 and funds amounting to £2,400,000, they are neither numerous nor relatively important.¹⁸

VOLUNTARY TRANSFER FROM RICH TO POOR

SCHEMES of voluntary provision against misfortune do not involve redistribution of wealth as do the state schemes. Voluntary transfer from rich to poor does, however, take place by other means. As in the case of compulsory transfer, we may distinguish between voluntary transfer which does not result in additions to individual income such as can be measured with some degree of accuracy, and transfer which does so result. As an example of the former we have the National Arts Collections Fund and the National Trust. The subscriptions come from the wealthy, or at least almost wholly from those above the income-tax limit, and the benefits can be enjoyed by all. As an example of the latter we may take voluntary hospitals. They are supported to a considerable extent by the rich, who seldom benefit from them directly, and the benefits accruing to the poorer section of the population can be regarded, as in the case of benefits under the National Health Insurance scheme, as additions to the individual incomes of the poor. Only schemes of this kind result in transfer in the restricted and more usual sense of the word. Let us ask what is known concerning transfer of this nature.

There nowhere exists any summary of information concerning charities, and it is with charities and their finances that we are now concerned. Charities as such are not compelled to register. Charities of certain kinds come under special regulations. Thus the War Charities Act of 1916 makes it unlawful for any war charity, if not exempted, to appeal to the public for subscriptions, whether in money or in kind, unless it is registered. The Blind Persons Act of 1920 applies the provisions of the War Charities Act with certain modifications to charities for the blind.¹ The Charity Commissioners have some

jurisdiction over endowed charities. It is not, however, the duty of any government department or official to collect information about charities as a whole. The task does not seem to have been attempted by any private society or person; indeed, owing to the vast number of charities and to the inadequacy of the annual reports rendered by many of them, it would hardly be possible to arrive at figures of any value as the result of private inquiry. For complete information on this matter we must wait until all charities are compelled to register and to render full financial statements.

It is nevertheless evident from information we possess regarding certain classes of charities that these organizations are not only numerous but, taken together, they must play no insignificant part in redistributing wealth. There are now 516 charities registered under the War Charities Act and 247 under the Blind Persons Act. In 1934 the Charity Commissioners received the accounts of 81,274 endowed charities; the total capital in the hands of the official trustees of charitable funds amounted to about £88 millions, and the income arising therefrom to nearly £3 millions.¹ Evidently the total number of charities must be very large, and the total income received by them both by way of interest on endowment and of subscriptions must be considerable. It would be interesting to know whether they are now receiving more or less support than formerly. We found that the introduction of state schemes, under which compulsory contributions are payable to funds out of which provision is made against unemployment, ill health and old age, has not been accompanied by any diminution in working-class savings. We should like further to know whether the richer section of the population, which is also obliged to contribute to these state schemes but does not benefit directly from them, has changed its practice in relation to the support of charities. In other words, it does not seem to follow that, when more is done for people, they do less for themselves; and the question is whether, when enforced contributions are increased, voluntary contributions are lessened. But, in

the absence of the necessary data, the question cannot be answered.

We do, however, possess some information about voluntary hospitals which have long been one of the main objects of charitable benefaction. Except for a special grant of £500,000 made to them by the government in the difficult period which followed the war, they have received nothing from rates and taxes. The directory of the Hospitals Year Book for 1936 gives the names of 1,093 hospitals in England and Wales containing 71,389 beds. Of them 854 furnish figures; they include, however, all the more important hospitals and 98 per cent. of the beds. These figures are summarized in Table LXIII so far as they concern maintenance. Both in London and the provinces

TABLE LXIII²
Voluntary Hospitals
England and Wales, 1932 to 1934

Year	Voluntary Gifts		Receipts for Services rendered		Investments		Extraordinary Income		Total Income	
	Total	Per available bed	Total	Per available bed	Total	Per available bed	Total	Per available bed	Total	Per available bed
	£000	£	£000	£	£000	£	£000	£	£000	£
1932	1,422	82.9	1,500	87.4	694	40.4	411	23.9	4,026	234.7
1933	1,393	80.3	1,586	91.4	658	37.9	570	32.9	4,206	242.5
1934	1,409	80.1	1,675	95.2	670	38.1	435	24.7	4,189	238.2
<i>Provinces*</i>										
1932	3,451	71.3	1,791	37.0	912	18.8	749	15.5	6,959	143.7
1933	3,481	68.7	2,011	39.7	858	16.9	760	15.0	7,177	141.6
1934	3,732	71.0	2,212	42.1	888	16.9	734	14.0	7,622	145.3

* In the case of hospitals in the provinces certain receipts from other sources, amounting only to relatively small sums, are not shown.

receipts for services rendered provide between a quarter and a third of the income. Moreover, income from this source is rising whereas income by way of voluntary gifts is declining. But this is not the whole story. In the provinces contributory schemes are well developed. They are schemes under which potential patients pay contributions in return for which they receive certain privileges when they require the services of a hospital. Contributions from this source are placed under the head of voluntary

gifts. When we analyse the voluntary gifts to the provincial hospitals we find that subscriptions, donations, and congregational collections per available bed have all declined, whereas the income from contributory schemes has increased between 1932 and 1934. In other words that part of the income from voluntary gifts which represents charity is declining; and the total decline in the income labelled as coming from voluntary gifts would have fallen considerably if it had not been for the increasing importance of contributions from potential patients which are not charity at all.

Charitable gifts to hospitals take the form of legacies as well as donations, and it is desirable also to examine the receipts from this source. Figures are available for Great Britain (excluding London); they are shown in Table LXIV and exhibit a definite downward trend. The evidence is therefore that the income of the voluntary hospitals from charitable sources is declining relatively to the number of beds; but the number of beds has increased and charitable gifts have not only been maintained absolutely but have even been increased. Thus, in one important sense, it cannot be said that charitable effort has slackened. The work done by voluntary hospitals is costing more, both because it is extending and because treatment is becoming more expensive. To meet this extra expense reliance is placed rather upon the contributions of patients, actual and potential, than upon charitable donors. Nevertheless, the financing of these hospitals still involves voluntary transfer from rich to poor upon a large scale.

It has not been possible to do more than direct attention to the aspect of social life that is the subject of this chapter. The facts clearly suggest that the amount of money involved is large. Whether or not charity is changing in volume, the methods of raising money for charitable objects are certainly changing in character. Street collections have, for instance, multiplied, although they are less frequent than they were a few years ago. There were no less than 133 street collections, or more than one every

TABLE LXIV³
Voluntary Hospitals
Great Britain (excluding London), 1925 to 1934

Year	Available Beds	From Legacies	Per available bed	
			Annually	3-year moving Average
		£(000s)	£	£
1925	45,427	710	15.6	..
1926	46,830	768	16.4	..
1927	48,212	973	20.2	17.4
1928	49,520	1,008	20.4	19.0
1929	51,056	933	18.3	19.6
1930	54,848	981	17.9	18.9
1931	56,079	1,037	18.5	18.2
1932	57,727	998	17.3	17.9
1933	60,115	1,003	16.7	17.5
1934	62,192	1,058	17.0	17.0

third day, in London during 1935, and considering that the average cost of collection amounted to 12½ per cent. of the total amount raised, it may be doubted whether this modern development is entirely satisfactory.⁴ It may also be doubted whether other characteristics which street collections share with most modern methods of raising money are innovations that we ought to welcome. When some charities took up the arts of the skilled advertiser, they were all perforce compelled to follow the same path. These methods may for a time loosen the purse strings, but at the risk of gradually hardening the heart. The very word charity has long had unfortunate associations in the democratic mind. Evolution along the present lines may ultimately kill it as an organized institution. This may conceivably be no great loss if the charity which 'vaunteth not itself and is not puffed up' survives.

POVERTY

IN the course of the preceding chapter we touched incidentally upon certain defects in the social structure of this country. It is now time to study directly some of the more obvious signs of failure. If we confine ourselves to two subjects, poverty and crime, it is not because we forget or underestimate the importance of aesthetic and other defects, but because poverty and crime alone of the major failures can be described and measured with some approach to accuracy.

In the ninth chapter we discussed the national income. The analysis showed that, even if all families shared equally in this income, we should all be poor as judged by any absolute scale. But income is not equally distributed. Some are rich while others are poor, and among the latter, as we are all aware, there are many whose income does not permit them to attain a decent standard of life. The question arises whether we can distinguish this poorest section and estimate the number of those who fall within it. It is evident that any distinction must be more or less arbitrary, because incomes are graded continuously. Nevertheless, in drawing a poverty line across society we can find a more substantial basis than our own casual impressions as to what constitutes poverty in the sense mentioned above. If we define a minimum standard of living, we can draw the line in such a fashion as to leave below it those whose income does not enable them to reach this standard. This was the method followed by the best known workers in this field—Booth, Rowntree, and Bowley.

The pioneer investigation was that of Charles Booth. The rich not only may but do live alongside the poor and fail altogether to realize the implications of poverty unless their imaginative sympathy is aroused. Booth's work resulted in bringing the facts and implications of poverty into the social consciousness of the nation, and

the further investigations of Rowntree and Bowley kept them in full view. Booth's *Life and Labour of the People of London* was the most elaborate inquiry ever published by a private person. Beginning in 1886 in East London, he made, largely with the help of the school board visitors, a classification of the people both by districts and by trades. These visitors, most of whom had been working in the same districts for years, were thoroughly acquainted with the people and the conditions under which they lived. From information gained in this way concerning families in which there were children of school age, he deduced the condition of the whole population, on the assumption that the untested portion would be at least no worse off, and would probably be better off, than the sample tested.¹

Booth divided the population into different classes, which he defined as follows:²

- A. The lowest class—occasional labourers, loafers, and semi-criminals.
- B. The, very poor—casual labour, hand-to-mouth existence, chronic want.
- C and D. The poor—including alike those whose earnings are small because of irregularity of employment, and those whose work, though regular, is ill-paid.
- E and F. The regularly employed and fairly paid working class of all grades.
- G and H. Lower and upper middle class and all above this level.

The classes C and D, E and F, G and H can only be separated with difficulty, and they are placed together here since a classification into five grades seems adequate.

As given above, the definitions of the classes are somewhat vague. Booth amplifies his definition of the important classes B and C-D in the following words:³ 'By the word "poor" I mean to describe those who have a sufficiently regular though bare income, such as 18s. to 21s. per week for a moderate family, and by "very poor" those who from any cause fall much below this standard. The

"poor" are those whose means may be sufficient, but are barely sufficient, for decent independent life; the "very poor" those whose means are insufficient for this according to the usual standard of life in this country. My "poor" may be described as living under a struggle to obtain the necessities of life and make both ends meet; while the "very poor" live in a state of chronic want. It may be their own fault that they do so; that is another question; my first business is simply with the numbers who, from whatever cause, do live under conditions of poverty or destitution.' This amplification does make the definition more precise. Later investigations have reached, as we shall see, greater degrees of precision. It is apparent at the same time that, whether the line drawn is sharp or not, the separation into classes is arbitrary. Poverty is a matter of degree and not of kind.

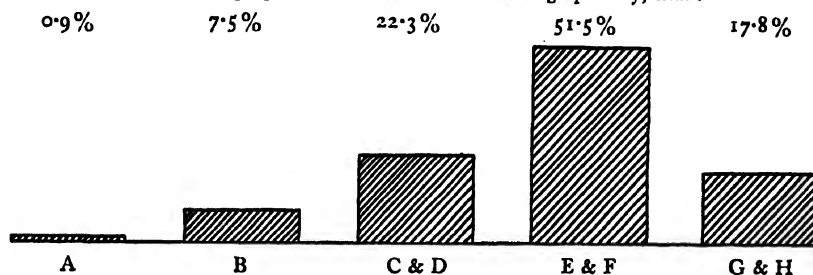
Booth's conclusions are given in the following table. They took into account the whole population of London at the date of the inquiry, with the exception of about 100,000 persons who were housed in institutions of one kind or another. The line drawn across the table is the poverty line. All those who fall below that line are 'poor'—at least in Booth's sense of that word.

At the end of the next decade Mr. Seebohm Rowntree made a detailed investigation of working-class conditions in York, of which he published an account in 1901 called *Poverty: A Study of Town Life*. Every working-class family was visited and the number of families living in poverty was ascertained. Rowntree distinguished between 'primary poverty', where 'total earnings are insufficient to obtain the minimum necessities for the maintenance of merely physical efficiency', and 'secondary poverty', where the 'total earnings would suffice for the maintenance of merely physical efficiency were it not that some part of it is absorbed by other expenditure either useful or wasteful'.⁴ In other words, families living in 'primary poverty' have incomes which do not enable them to reach the defined standard, whereas those living in 'secondary poverty' have incomes sufficient for this purpose, but do

TABLE LXV²*Booth's Classification of London Population*

Class	Description	Number of People (000s)	Per cent. of Total
G & H	Middle-class and above	750	17.8
E & F	Working-class, comfortable	2,166	51.5
C & D	Poor	938	22.3
B	Very poor.	317	7.5
A	Lowest	38	0.9
All Classes		4,209	100.0

The above proportions can also be illustrated graphically, thus:



not apportion their expenditure in the most judicious manner possible and therefore fail to reach the standard.

What was this standard adopted by Rowntree as allowing the maintenance of bare physical efficiency? It was an income permitting the purchase of the bare necessities of life, allowing nothing for beer, newspapers, tobacco, fares, recreation, or luxuries of any kind. The amount of food necessary was estimated by the careful planning of a diet providing just sufficient fuel energy for the worker and his family. It was rather better than prison fare, but less generous than that provided for able-bodied paupers in workhouses. The cost was calculated on the assumption that exceptional economy was exercised in buying and in housekeeping. He estimated that at the date of the inquiry an income of 21s. 8d. a week was necessary to enable a family of five—husband, wife, and three children—to live at this standard in respect of food, and also to pay for rent, clothing, fuel and light, and household sundries such as cleaning materials, the cost of which was calculated on a similar low basis.⁵

It is evident that Rowntree's methods are more refined than those of Booth. The poverty line remains in a sense arbitrary as before, but its meaning is more definite. Applying this delicate test to his data, he found 9.9 per cent. of the whole population of York city to be living in 'primary poverty' and 17.9 per cent. in 'secondary poverty'. The addition of these two groups brings the poverty total to nearly 28 per cent. of the whole population.⁶ This result was sufficiently near that reached by Booth for London to confirm many in the belief that the same proportion might be taken to apply to all towns. It must be remembered, however, that the definitions of poverty used in the two investigations are not identical.

In 1912-13 a similar inquiry was made by Bowley and Burnett-Hurst in Northampton, Warrington, Stanley, and Reading. Instead, however, of visiting every working-class household, a random sample of about 1 in 20 was taken.⁷ In this investigation no account was taken of 'secondary poverty'; 'primary poverty' alone was under consideration. It is of importance to observe that the method employed differed somewhat from that of Rowntree, rendering possible only a rough comparison between the results. Thus Rowntree's minimum assumed the most economical expenditure in obtaining the scientifically necessary food constituents, but the diet was largely vegetarian. Bowley and Burnett-Hurst devised a less rigid standard with a closer relation to actual methods of expenditure; they allowed for some meat in the diet and raised the adult male standard by 9d. for this purpose. They also took a somewhat lower minimum than Rowntree for a child; while Rowntree took an average figure for all children under 16, they made allowance for age, and, for children over 14, for sex.⁸ Bowley and Burnett-Hurst adopted Rowntree's standards for clothing and sundries, but used rather different methods for calculating income. Unemployment and overtime were disregarded in the determination of 'normal weekly wages' except in the case of workers in the building trade, whereas Rowntree calculated what additions should be made for such

items as insurance payments and income from allotments, besides deducting the loss of income incurred on account of sickness and unemployment. Bowley and Burnett-Hurst included in the family income unemployment and health insurance benefit, strike pay, pensions, income from lodgers and investments, and deducted rent and national insurance contributions from the gross weekly income before comparison with their minimum standard. Rowntree treated the lodger as a member of the family and counted the whole of his income as an addition to the family income.⁹

The conclusions of the four-towns investigation are best given in the words of the authors. 'Our figures show that, quite apart from the "secondary" poverty of those whose income is injudiciously spent, and quite apart from accidents—or rather certainties—such as temporary sickness and unemployment, permanent, as distinct from occasional, poverty exists in certain places on a scale which is really appalling. Let us for a moment obliterate the boundaries between the different towns which we have described, and regard them as merged into one large city. The city contains about 2,150 working-class households and 9,720 persons. Of these households 293, or 13½ per cent.—of those persons, 1,567 or 16 per cent.—are living in a condition of "primary" poverty. It is often implied that the wages of an adult workman are normally sufficient to bring up his family in decency; but out of 2,285 adult males in our composite city as to whose earnings we have definite information, 729 or 32 per cent. were, at the time of our inquiry, earning less than 24s. a week.'¹⁰

It is to be noted that, stated in the above form, this conclusion is not comparable with that of Rowntree previously quoted, because it refers to the proportion of poverty in the working-class part of the population and not in the whole population. On another page, however, the authors state that 'the percentage of the whole population, including the upper classes of each town, living in poverty, exclusive of inmates of workhouses, &c., were respectively about 7, 12, 4½, and 19'.¹¹ These figures are

roughly comparable to the 10 per cent. found by Rown-tree living in primary poverty in York, but only roughly comparable because of the differences in method noted above.

In 1924 the four-towns investigation was repeated by Bowley and Hogg, and another town, Bolton, which had been independently investigated in 1914, was added to their number to make five. The method adopted was as nearly as possible the same as before. About 4,000 families were investigated, and an estimate was made of the families above, on, and below the poverty line. In the following table are shown the results at the two dates assuming full-time wages to have been earned. It is also possible to show in 1924 the position for the actual week of the investigation, an allowance being made for the fact that full-time wages were by no means always earned.

TABLE LXVI¹²

*Working-Class Families classified according to their Position in relation to the Minimum Standard**

Percentage	Full-Time Wages		Actual Week's Wages
	1913	1924	1924
Above Poverty Line	88	95	92
On " "	1	1	1½
Below " "	11	4	6½

* Percentages for all 5 towns together (lodgers excluded).

How is this improvement to be accounted for? To answer this question let us first ask another. What do these investigations show the major cause of poverty to have been? Bowley and Burnett-Hurst, writing in 1915 of the four-towns inquiry, said:¹³ 'It is thus proved that a great part of the poverty revealed by our inquiries—and we have no reason to regard their results as other than representative—is not intermittent but permanent, not accidental or due to exceptional misfortune, but a regular feature of the industries of the towns concerned. It can hardly be too emphatically stated that of all the causes of primary poverty which have been brought to

our notice, low wages are by far the most important. We would go further and say that to raise the wages of the worst-paid workers is the most pressing social task with which the country is confronted to-day.' In another passage they remark that 'actually one-half of the households below the poverty line at Warrington and Reading, nearly one-half at York, and one-third at Northampton, were living in poverty because the wages of the head of the household were so low that he could not support a family of three children or less'. Booth and Rowntree had also fixed upon the lowness of wages as a major cause of poverty. Thus we may take this to have been a very important, if not the most important, factor in poverty, and we may answer the first question by saying that the rise in the real wages of the worst-paid workers since 1914 has accounted for much of the improvement. Bowley and Hogg, writing of the 1924 investigation, remarked that 'it has needed a war to do it (i.e. to raise the wages of the worst-paid workers), but that task has been accomplished, so far as rates of wages are concerned, though employment has not yet been permanently possible for all at these rates'. But this was not all. Families became smaller between 1914 and 1924, and the worst-paid workers in 1924 had not only larger real incomes, but also fewer calls upon those incomes.¹⁴

Of more recent investigations the New London Survey carried out in 1929-30 is the most important; moreover, since it was designed to repeat Booth's work of forty years before, it makes possible a comparison between conditions in 1930 and 1889. In the Survey two methods of measuring poverty were used.

The first, the 'street survey' method, is an attempt to adapt Booth's definitions and procedure to present economic conditions. In other words, the same standards so far as possible have been preserved, making allowance only for the change that has taken place since 1889 in the purchasing power of money. His classes have been re-lettered and certain of them combined. Class P comprises his A, B, C, and D, that is, all below the poverty

line; classes U and S together correspond to E and F, and class M is equivalent to G and H. The ranges of income in these classes in 1929-30 may be taken as: P, up to £2; U, S, over £2 and up to £5; M, over £5. We then have for the County of London the comparison shown in Table LXVII.

TABLE LXVII¹⁵*Classification of New London Population*

Class	Description	Percentage of Total	
		1889	1929-30
M	Middle class and above	17·8	18·4
U, S	Working class, comfortable	51·5	72·0
P	Poor and very poor	30·7	9·6

The second method was the familiar house sample method employed by Bowley in his study of conditions in five selected towns. Information was obtained as to the total earnings and other sources of income of each family in a large random sample, and the actual income was then compared with the estimated minimum income required to supply each family with the prime necessities of life. If the actual income of any family failed to reach the appropriate estimated minimum, that family was classed below the 'poverty line'. The results so obtained are not exactly comparable with the results reached by the street survey method; for instance, the sample inquiry was limited to working-class families, while the street survey was primarily based on the study of families with children attending elementary schools. But, in spite of these and other differences, it is believed that the ultimate standards of minimum subsistence are practically equivalent. In any case the figures reached by the two independent paths are surprisingly similar. The house sample method leads to the conclusion that 9·1 per cent. of the population sampled was below the poverty line, whereas in 1889 the percentage was over 30.¹⁶ It is true that the total number living in poverty in 1930 was very large, namely, 499,000; but, had the conditions of 1889 prevailed in 1930, the number would have been a million and a half.¹⁷

There is little doubt that the major cause of present-day poverty is unemployment or insufficient employment. Even in the London area, which has suffered less than most districts from the depression, it is estimated that nearly one-half the poverty discovered—measured by the number of persons below the poverty line—could be attributed to this cause; one-quarter was due to the absence of the male head of the family through death, sickness, incapacity, or some other cause; inadequacy of wages was responsible for just under one-fifth and old age for the remainder. That want of employment has now become relatively a much more serious factor than insufficient wages—which Booth believed to be the prime cause of poverty in his day—may be inferred from the fact that the proportion of the population below the poverty line would have been approximately halved if all occupied persons had been in full employment at the time of the inquiry.¹⁸

Confirmation of the general belief that unemployment or under-employment is now the major cause of poverty is obtained from other surveys carried out about the same time as the London survey, notably one on Merseyside (1929-30) and another in Southampton (1931). The definition of poverty and the procedure for ascertaining its incidence, adopted in making these two surveys, were modelled on the practice followed by those responsible for the London survey; for the object was to get results from the two areas which would be comparable with London. Any differences in detail may be regarded as comparatively unimportant and without significant effect upon the final figures. The percentages of working-class persons below the poverty line came out as follows: London 9.1, Merseyside 16.0, and Southampton 20.7.¹⁹ When interpreting these results it must be remembered that the Southampton survey was conducted in 1931, and therefore that the figures for that town are more affected by the depression, which had not reached its full height in 1930, than those for London and Merseyside. Allowing for this it is clear, however, that the incidence of poverty is very different as between London and the two

provincial ports. The demonstration of the existence of these differences reminds us that the figures showing the incidence of poverty, which we have discussed, relate only to a few towns. It is true that Professor Bowley selected his five towns because they were representative of different industries, and therefore might be regarded as giving a microcosm of the country. Nevertheless we can only guess at the incidence of poverty in the country as a whole. The investigations may be said to show that the amount of poverty varies greatly as between one part of the country and another, that it is still everywhere a serious problem, but that the relative magnitude of the problem diminished between 1900 and the decade which followed the war.

It may be of interest to attempt to bring the poverty-line standard up to date. Let us, therefore, calculate the weekly income which in October 1936 would have just enabled a family of husband, wife, and three dependent children (two between five and fourteen and one under five) to reach the condition of bare physical efficiency as outlined originally by Rowntree and modified later by Bowley, Burnett-Hurst, and Hogg. To do this it is necessary to make allowance for changes in the cost of living, and for this purpose use can be made of the official cost of living index number.²⁰ It is also necessary to take into account changes in compulsory contributions to the national insurance schemes. In this way we reach a total of 37s. 7d. as the minimum weekly expenditure for a family of five persons living at the bare physical efficiency standard.

The details of this estimate are brought together in Table LXVIII, and alongside are shown the corresponding figures of another estimate designed by Mr. Rowntree but also brought up to October 1936. This is known as the 'human needs' standard, and is described in his *Human Needs of Labour*. It is a more generous standard than the first. It does, for instance, allow something under the head of 'personal sundries' for recreation and the multitude of small and almost indispensable objects of expendi-

ture such as drugs, stamps, writing-paper, and so on.²¹ The standard is therefore above that required for bare physical efficiency. It might be said to provide the bare essentials of a civilized life for a family of five. Neither Mr. Rowntree, nor any one else with a proper sense of

TABLE LXVIII

Cost of Living, 1st October 1936

A. BOWLEY'S 'BARE PHYSICAL EFFICIENCY' STANDARD.
B. ROWNTREE'S 'HUMAN NEEDS' STANDARD.

Commodity	Expenditure required for			
	A. Bare Physical Efficiency		B. Human Needs	
	s.	d.	s.	d.
Food	18	8½	19	11
Rent	8	5	9	6½
Clothing	4	3½	9	6
Fuel	3	3	4	4½
Insurance	1	6	1	6
Sundries:				
Household	1	5	2	10
Personal . . . . .		..	10	0
	37	7	57	8

human requirements, regards it as in any way a sufficient income. He says, in fact, referring to the dietary part of his standard, that he is not seeking to provide one that he considers desirable but one below which no class of workers should ever be forced to live.²² The meaning of this remark will be plain to the reader who studies closely what the standard provides. Any one unacquainted with Mr. Rowntree's book will be astonished to discover how narrow a margin is allowed over and above the absolute essentials of existence.

Rowntree's estimate of the cost of living at the human needs standard in July 1914 for a family of five amounted to 35s. 3d. The items comprised food 15s. 1d., rent 6s., clothing 5s., fuel 2s. 6d., household sundries 1s. 8d., and personal sundries 5s.²³ In the table these figures have been re-calculated for October 1936. The figures for food, rent, clothing, fuel, and household sundries have been revised by adding the percentage increases shown for the same items in the *Labour Gazette* between July

1914 and October 1936. The figure of 5*s.* for personal sundries given by Rowntree included 4*d.* for health insurance. In our table, insurance is shown separately and Rowntree's 4*s.* 8*d.* has been increased to the arbitrary figure of 10*s.* The ultimate result is to bring the total for a family of five up to 57*s.* 8*d.* a week.

When the items constituting these two totals are compared, the large differences between the figures for clothing will arrest attention. If food, it may be asked, costs so little more for the same number of persons on the human needs standard, why should clothing cost so much more? The explanation is that, if bare physical efficiency is to be maintained, food cannot be reduced below a certain amount, whereas clothing requirements can be made very small. Mr. Rowntree, in fact, based his figure for clothes in his first standard on the supposition that clothes would be mostly bought second-hand and only when absolutely necessary. For the human needs standard a more liberal wardrobe is allowed, with an occasional purchase of new clothes.

These figures are useful, but they must be employed with caution. The conditions of life in the towns where these studies were made may not be similar in all respects to conditions in other towns, and, where this is so, some modifications would be required in the figures. Rents, for instance, differ from town to town, and the price of coal varies according to the distance from a coal-field. Again, considerable revision would be required in order to bring the standards into line with rural conditions. With these warnings in mind they may be employed as a rough measuring rod of the standard of life open to wage-earners. The standards may, for instance, be used to gauge the purchasing power of the wages in force at any one time, for the calculations can be readily brought up to date, month by month, by using the cost of living figures in the *Labour Gazette*. One can then judge how far weekly wages, also published for various industries in the *Gazette*, enable families of this size to live at either one or other of the two standards employed.

What all this work does is to illustrate in the most painful fashion the narrowness of life which the present level of earnings imposes upon the wage-earning part of the population; and they constitute, as the earlier chapters have shown, the greater part of the population. Fully to appreciate how little even an income on the human needs standard provides, the reader must turn to Mr. Rown-tree's works. It is a depressing fact that, in spite of all the scientific inventions which are now used to increase the productivity of human effort, the problem of widespread poverty should still be with us. We may, however, take comfort from the evidence given above that the problem is diminishing and that, if every one could be employed at existing wage-rates, the incidence would probably be halved.

The investigations which we have discussed aim at discovering what proportion of the population is living below a defined standard and is therefore in poverty. But there is another sense in which people may be poor. They may be unable to support themselves and must therefore get taken into institutions. While in these institutions they may be living at or above the level of bare physical efficiency; nevertheless, however this may be, they are in one sense poor. While some of these people may be accommodated in almshouses, most of them are in public assistance institutions. Public assistance is in fact designed for the destitute who are relieved either by institutional (indoor) or by domiciliary (outdoor) treatment. Since, in theory at least, public assistance is designed for the destitute, the scope of its operations is relevant when discussing poverty, and therefore the numbers relieved in these two ways on January 1st, 1936, are given in Table LXIX. It is also possible to analyse the recipients of public assistance according to the reasons for seeking help. This has been done in Table LXX.

When examining these tables it must be remembered that some are in receipt of outdoor relief, and that many of those in receipt of indoor relief are getting attention on account of sickness or infirmity. They are therefore desti-

TABLE LXIX²⁴

Persons in Receipt of Relief
England and Wales, January 1st, 1936

<i>Nature of Relief</i>	<i>Number Relieved (000s)</i>				<i>Total Number of Persons per 10,000 of Estimated Population</i>
	<i>Men</i>	<i>Women</i>	<i>Children</i>	<i>Total</i>	
Outdoor	338	447	422	1,207	297
Institutional	84	59	38	181*	44
Total	422	506	460	1,388	341

* Includes over 11,000 casuals.

TABLE LXX²⁴

Reported Causes of Relief

<i>Classification</i>	<i>Number Relieved (000s)</i>				<i>Per cent. of Total</i>	<i>No. of Persons per 10,000 of Estimated Population</i>
	<i>Men</i>	<i>Women</i>	<i>Children</i>	<i>Total</i>		
Unemployment (outdoor relief only)	105	82	143	330	23·8	81
Sickness, Accident, or Bodily Infirmary	247	217*	18	482	34·7	260
Mental Infirmary	14	18	1	33	2·4	
Ill health of a Dependent	7	1	0	8	0·6	
Other Causes (including Widowhood and Orphanhood)	49	188	298	535	38·5	
Total	422	506	460	1,388	100·0	341

* Includes 29,000 wives suffering from sickness, accident, or bodily infirmity, whose husbands were in receipt of relief on account of sickness or other causes.

tute in a somewhat peculiar meaning of the term. Further, it is important to recollect that all those receiving outdoor relief in whatever form are included in the general population which has been investigated in the surveys quoted above. Therefore the figure in Table LXIX which interests us most is that which shows about 180,000 persons as in receipt of indoor relief. Unfortunately, however, we are not told how many of them were relieved otherwise than for medical reasons; and this is the figure which for our purpose it would be most illuminating to

have. Turning to Table LXX we can leave aside the 330,000 who are receiving outdoor relief on account of unemployment. The remaining 1,058,000 are getting either indoor or outdoor relief, but in very few of these cases is unemployment recorded as the cause of seeking relief, though directly or indirectly it may have been an important contributory factor in regard to the outdoor cases. This is an aspect of the poverty problem which merits further examination.

If the numbers we have been considering are related to the size of the population it appears that 260 persons per 10,000 of the estimated population were recorded as in receipt of relief from causes other than unemployment on January 1st, 1936. Let us now look at pre-war conditions. We find that the mean number of persons in receipt of relief, both indoor and outdoor, varied on January 1st in the three years preceding the war from 218 to 248 per 10,000 of the estimated population.²⁵ Though we have no precise knowledge on the point, it does not appear that many of those in receipt of relief in pre-war days were compelled to seek relief on account of unemployment, as the years 1911, 1912, 1913 were years of relatively good employment. The proportion of those in receipt of relief from causes other than unemployment is probably somewhat higher than before the war. 'In general, though not always, it is found that an increase in the number of persons relieved at home on account of unemployment is accompanied by a corresponding increase in the number of persons so relieved otherwise than on account of unemployment.'²⁶ The remarkable fact which emerges is the existence of a mass of poverty, due to causes other than unemployment, remaining more or less of the same proportionate magnitude, the fluctuations in the proportionate numbers of those relieved being due almost wholly to fluctuations in employment. What then are these other causes? The figures in Table LXX throw some light upon the matter.

These other causes in order of importance are widowhood, orphanhood, and other miscellaneous causes, bodily

infirmity, mental infirmity, and ill health of a dependent. Thus, there is, on the one hand, poverty among the working section of the population due in the main to unemployment or under-employment, and, on the other hand, poverty due to these other causes. This classification of the other causes is suggestive. Widowhood and orphanhood are clearly instances of bad luck. But some bodily and some mental infirmity is not bad luck—at least not in the ordinary sense. Part of it is due, not to unfortunate surroundings or experiences, but to deficient inborn equipment. To the existence of persons not adequately equipped at birth with mental and physical endowments we shall refer again in a later chapter.

XVIII

CRIME

CRIMINAL offences are infractions of the rules and regulations made by the State. As citizens we must therefore regard the existence of crime as evidence of failure in the functioning of our society. If the State cannot get its rules enforced, the basis of orderly life is threatened. But immoral acts are not necessarily criminal offences; thus it is no crime to get drunk at home. Also criminal offences are not necessarily offences against morals. The State may make bad rules, and it is nearly universally admitted that it may be meritorious to break such rules in extreme cases. More important is the fact that many of the rules concern matters so trivial that the breaking of them, however undesirable, cannot be regarded as immoral. It is undesirable that a bicyclist should ride after sunset without a light, and trivial offences of this kind are included among the less serious class of criminal offences known as non-indictable offences. When we come to the more serious class of indictable offences it is generally found that they are more than merely undesirable. Violence and fraud are cases in point. The question of morals or of responsibility does not, however, directly concern us. That crime is evidence of social failure is enough to make its prevalence relevant to our discussion.

Let us begin with a survey of indictable offences, of which the more serious are tried at assizes and quarter sessions and the less serious tried summarily.*

Taking indictable offences as a whole and leaving aside for the moment any consideration of changes in the type of offence committed, we see that there was a fall in the proportion of persons tried to population until we reach the period 1925-9. In those years the course of events

* For certain indictable offences it is optional whether trial is before a Court of Summary Jurisdiction or before a higher court.

TABLE LXXI¹

Indictable Offences
England and Wales, 1900 to 1934

<i>Period or Year</i>	<i>Number of Persons tried</i>		<i>Offences known to the Police</i>	
	<i>Average for Period or Total for Year</i>	<i>Per 100,000 of Population</i>	<i>Average for Period or Total for Year</i>	<i>Per 100,000 of Population</i>
1900-9	60,174	179	91,694	273
1910-19	60,713	172	91,270	259
1920-4	58,857	154	106,837	280
1925-9	64,001	163	127,640	325
1930-3	68,502	171	185,442	462
1934	72,938	180	233,359	577

took an unfavourable turn which persisted up to 1934, the latest year for which figures are available. Indeed, in that year the proportion of persons tried to population exceeded the high figure which ruled in the early years of the century. These figures appear to show an alarming state of affairs which demands further analysis. It may therefore be noted that, if persons over 16 years of age alone are considered, we get the following averages:² 1910-14, 50,249; 1920-4, 46,331; 1925-9, 51,923; 1930-4, 51,119. Since 1910 the number of persons over 16 years of age has increased, and when we relate persons over this age who were tried to the total population over this age, the proportion is as shown in Table LXXII. It follows that, while there has been a check to the downward trend, the figures for the adult population are not as alarming as appeared at first sight. But when we come to juvenile offenders, the facts are the other way about. Not only has the number of offences increased, but so, too, has the proportion per 100,000 of the population aged 10 to 16. Put in another way we find that there was a rise in the proportion of juvenile offenders to juvenile population of 15 per cent. between 1921 and 1929, of 20 per cent. between 1929 and 1933, and of 18 per cent. between 1933 and 1934.³

In order to throw further light on these events let us consider the changes in the kinds of indictable offence for which offenders were tried. Taking those over 16

TABLE LXXII³

Indictable Offences
England and Wales, 1911 to 1934

Proportion of Persons Tried per 100,000 Population

<i>Year</i>	<i>Age 10 to 16</i>	<i>Age over 16</i>
1911	288	232
1921	267	197
1925	297	169
1929	307	173
1932	354	201
1933	370	189
1934	439	189

first, the inference from the figures is that, if allowance be made for changes in the law, there has been a decrease in crimes of violence.⁴ The same is true of sexual crimes. Therefore so far as offences against the person go, there is no reason for dissatisfaction. It is interesting to observe that this welcome development was especially well marked in the years following the war, whereas it was freely prophesied during the war that the result of the return of men from the front would be to carry violence and licence into civil life. But prophecy is always a dangerous pastime in social affairs. When we come to consider offences against property, however, the trend has not been so favourable. Larceny shows no increase in proportion to population, but the crimes of fraud and false pretences and of breaking and entering have become much more common; for the former the figure for 1934 is 42 per cent. higher than in 1910-14, and for the latter 36 per cent. higher.⁴ So far as adults are concerned, it is in regard to these offences that there is most reason for anxiety. In other words, while among adults those crimes which arise from failure to keep violent emotions in check are decreasing, the crimes which imply forethought and in many cases the misapplication of skill are on the increase.

When we analyse the huge increase in offences for which juveniles were tried, we find that the increase is chiefly in respect of offences against property. The figures appear to show that among these young people there has

been something like an orgy of stealing and breaking into premises in the last few years. We say 'appear to show' because it is possible, if not likely, that part of the increase is more apparent than real. In this connexion it is pertinent to note that the increase of 18 per cent. in juvenile offences between 1933 and 1934 followed the passing of the Children and Young Persons Act of the former year; a similar increase followed the passing of the Children Act of 1908. It cannot be that the passage of these Acts was an inducement to crime. The explanation would appear to be as follows. The number of offences committed by children is always much larger than the number of charges brought; the activity of the police in tracking down juvenile offenders, and the decision whether or not to bring a charge when an offence has been detected, depend in part on the question whether proceedings are likely to be beneficial. The consequence is that, with the development of juvenile courts, and the growth of a desire on the part of those who preside in them to treat offenders in the manner which conduces to their best interests, there is a tendency to bring more charges though no more offences have been committed. Nevertheless, there has almost certainly been some real increase in juvenile crime. But, while this is to be deplored, there are no signs that these juveniles are turning into adult criminals; for, as we have seen, while juvenile offences are increasing, adult offences, except certain types of offence against property, are decreasing.

Table LXXI also gives particulars of the number of indictable offences known to the police and shows that there has been a much greater increase in offences known than of persons tried. This would seem to show two things, first that the number of offences has increased much more than is indicated by the figures for trials, and secondly that, since the proportion of trials to offences has diminished, the number of offences which go unpunished has increased. These conclusions are only valid in so far as the increase in the number of offences known to the police is real. It may be observed, to begin with, that the

police are not always sure, when an offence is reported to them, that a crime has been committed; they may be told that a purse was stolen, whereas in fact it was lost. But in regard to certain offences, such as fraud and false pretences, violence against the person and sexual crime, there is little doubt about the facts, and it is pertinent to note that there has been less increase in regard to the number of these offences known to the police than in regard to other offences. Thus some increase may be due to change in the practice of recording doubtful cases. Again, there is reason to believe that the public has become increasingly ready to report cases; this may also explain part of the increase. There is no doubt, in fact, that the increase in offences known to the police may be to some extent accounted for in these two ways. There remains the question of the gap between the number of offences known and the number of persons brought to trial. The figures appear to show that the gap has very much widened in recent years; but, in so far as the explanation just offered of the apparent increase in offences is valid, the gap has not increased as much as would at first sight seem to be the case. Nevertheless it exists and has increased. Does this mean that police methods of tracking down offenders were never very effective and are becoming less so?

It must be remembered that when a person is convicted of an offence he often admits other offences and asks that they may be taken into account in passing sentence. In consequence the trial and conviction of one person often covers many offences. This means that the gap is not as wide as it appears, and since the practice of admitting offences is understood to have increased, some of its increasing width may be explained in this way. But, so far as this is the case, it does not wholly exonerate the police. For, while a much larger number of offences may ultimately be followed by a conviction of the offender than appears to be the case, the ideal condition, under which the offender is brought to trial immediately after the offence, is not being attained. But even if credit be given to the police for the ultimate tracking down of all offences

confessed, and allowance be made for the fuller recording of offences, it seems certain that the gap between offences known and persons tried has widened somewhat. Nevertheless, this does not necessarily imply any decrease in the efficiency of police methods. As we have seen, there has been a shift from the more primitive crimes of violence towards the more skilful and premeditated crimes of fraud. Obviously it is easier to catch a man who has knocked some one over the head as the result of a sudden impulse than a man who has planned a crime. In the first case the injured man probably knows the offender, who is very unlikely in any event to be skilful in covering up his tracks. In the second case the offender has probably thought out how to avoid detection during and after the commission of the offence. Thus the police have a more difficult task than formerly in tracking down offenders, and, so far as they are unsuccessful in bringing offenders to trial, we may attribute it to this fact rather than to any decrease in the energy and efficiency of the police.

Since the crime of murder always attracts the attention of the public, and since the facts about murder illustrate some of the matters discussed above, the more important figures are set out in the following table:

TABLE LXXIII¹

Murders
England and Wales, 1900 to 1934

<i>Period or Year</i>	<i>Persons tried</i>	<i>Proportion to 100,000 of Population</i>	<i>Cases known to the police</i>	<i>Proportion to 100,000 of Population</i>
1900-9	66	0·20	150	0·45
1910-19	62	0·18	147	0·42
1920-4	63	0·16	152	0·40
1925-9	60	0·15	145	0·37
1930-3	54	0·14	131	0·33
1934	61	0·15	141	0·35

There can be little doubt that all cases of murder are known to the police, and we find that the proportion of cases to population has declined. This is part of the

general decline in crimes of violence noticed above. We also observe that there has been in late years no less measure of success in tracking down murderers than in former years. The fact that the number of persons tried is only about half the number of murders committed is due in considerable part to the frequency of suicide of murderers; to some small degree it is also due to double murders. But of course some murderers remain undetected.

TABLE LXXIV⁵

Non-Indictable Offences
England and Wales, 1900 to 1934
Number of Persons tried

Period or Year	Non-Indictable Offences akin to Indictable Offences	Other Non-Indictable Offences	Total	Per 10,000 of Population		
	(1)	(2)	(3)	(1)	(2)	(3)
1900-9	84,597	619,017	767,458	25	184	209
1910-19	60,823	504,533	630,096	17	143	160
1920-4	61,752	493,522	617,112	16	129	145
1925-9	50,512	549,508	666,852	13	140	153
1930-3	41,225	531,386	643,572	10	133	143
1934	40,027	586,749	704,796	10	145	155

We have devoted attention first to indictable crimes because they are the more serious crimes. Non-indictable offences, however, on account of their frequency provide most of the work for the courts. But some of them are serious also, and in Table LXXIV the more serious of the non-indictable offences are shown separately. They include assaults, cruelty to children, and malicious damage among other crimes. The incidence of these crimes has markedly diminished; the horrible offence of cruelty to children, for instance, has dropped from 10 to 2 per 100,000 since the beginning of the century. Here we have a very definite and very welcome improvement.⁵

When we examine the records for other non-indictable offences we find some tendency towards a decrease which, however, has not been maintained lately. But on examining the totals for the various offences included under this head, we discover dramatic changes. The two chief com-

ponents of the total are drunkenness and offences against the Highway Acts. The changes in the number and proportion of these offences are set out in the following table:

TABLE LXXV⁵
Drunkenness and Offences against Highway Acts

<i>Period or Year</i>	<i>Drunkenness</i>		<i>Offences against Highway Acts</i>	
	<i>Persons tried</i>	<i>Per 100,000 of Population</i>	<i>Persons tried</i>	<i>Per 100,000 of Population</i>
1900-9	218,459	649	48,512	144
1910-19	140,841	399	70,167	199
1920-4	90,353	237	161,410	423
1925-9	73,451	187	246,561	627
1930-3	50,028	125	278,610	695
1934	51,039	126	346,437	856

As drunkenness has decreased, highway offences have increased. This, again, is a matter for congratulation because the former is a sordid offence; though the recent rise in drunkenness, after a long period of decline, should make us hesitate before we relax our efforts to reduce drunkenness. For, while the decrease in drunkenness is no doubt due in large measure to rising self respect and to the growth of cinemas and other counter attractions to the public house, it is also in part due to the shorter hours of opening and to the higher price of liquor. While highway offences include offences by pedal cyclists, there can be no doubt, though figures are not available to prove it, that the increase is due to offences by drivers of motor-cars, motor cycles, and motor lorries. Indeed, if these offences are crimes, motorists and lorry drivers constitute the most criminal section of the population to-day.

When we review the present situation, we find no reason to be despondent. We cannot congratulate ourselves upon any marked decrease in crime as a whole, though there have been some very welcome improvements. We may, however, take credit for changes in the treatment of those convicted. These changes may be illustrated from figures as to imprisonment and as to the fate meted out to juveniles. In 1904 198,395 persons were imprisoned: in

1934 this number had been reduced to 56,425.⁶ The reduction is largely due to the Criminal Justice Administration Act of 1914, under which time is usually allowed for payment when fines are inflicted upon convicted persons. In 1904 no less than 107,625 of the 198,395 persons imprisoned were sent there in default of payment of fines; in 1934 only 11,128 out of the 56,425 imprisoned were committed for this reason.⁷ The Probation of Offenders Act of 1907 has also reduced the severity of treatment; it permits the discharge without punishment of persons who have been found guilty, and in 1934 16.9 per cent. of all persons found guilty by Courts of Summary Jurisdiction were dealt with in this way. Turning to the treatment of juveniles the extent of the use of this latter Act is striking; in 1934 out of the 39,218 found guilty no less than 28,010 were dealt with under its provisions. Of the remainder, 8,538 juveniles were fined, 2,261 sent to Home Office schools, and 130 whipped.⁸

TABLE LXXVI⁹

*Total Civil Proceedings begun in all Courts
England and Wales, 1910 to 1934*

<i>Period</i>	<i>Quinquennial Averages</i>				
	<i>(000s)</i>				
1910-14					1,357
1915-19					736
1920-4					943
1925-9					1,219
1930-4					1,448

A word may be said regarding the other side of our legal system. Civil judicial statistics give some indication as to the degree to which we fail to compose our domestic differences and resort to the impartial arbitration of the courts. The figures in Table LXXVI show that, after a heavy drop in the number of proceedings begun during and immediately after the war, we have about returned to old habits. If we follow the figures year by year we find that they declined until 1927 since when they have risen almost without interruption. About 9 in every 10 of these cases are begun in County Courts, and, out of

every 100 cases begun in County Courts about 93 are concerned with amounts not exceeding £20. Divorce proceedings, which averaged 1,151 per annum in 1910-14, 2,589 in 1915-19, 3,602 in 1920-4, 3,965 in 1925-9, and 4,754 in 1930-4, reached a new high level for any single year in 1934 with a total of 5,054 cases.¹⁰

So far nothing has been said about the sex of offenders. But it is very far from being the case that the sexes participate equally in crime. In 1934 of the 65,736 persons found guilty of indictable offences 57,701 were males and 8,035 females.¹¹ In large part the higher incidence of crime among males is clearly due to greater exposure of males to risk, if we may apply a phrase usually employed in connexion with disease. Men are out and about more than women and are therefore more liable to come into conflict with the law. It may be, however, that this is not by any means the whole explanation of the difference between the sexes in this respect. It has been suggested that the inborn temperamental characteristics of the male are likely to lead him into trouble, whereas the temperament of the female may tend to keep her out of trouble. The male is more restless, pugnacious, adventurous, and quick to action. These qualities have their value, but they lead to conflicts with the police. In a public space recently laid out in Liverpool there is the following notice: 'Boys damaging the shrubs or flowers will be prosecuted.' It is apparently supposed that girls will never commit such offences.

We find ourselves at this point approaching a problem that we cannot discuss, namely the cause of crime; but we may perhaps explore a little farther the suggestion contained in the preceding paragraph that some persons are more innately disposed to crime than others. No one is born a criminal, just as no one is born diseased.* But some persons are born with a predisposition to catch diseases more readily than others when they come in contact with infection. May not some types be more predisposed than others to commit crime when temptation

offers the chance? We found in the last chapter some reason to suspect that all the poor are not poor merely because of ill luck in their surroundings, but that some of them were ill-equipped by nature to succeed in the struggle for a livelihood. May not something similar be the case in regard to the struggle against temptation?

The most obvious method whereby an answer may be found to this question is to institute a comparison between offenders and the population in general, and to attempt to ascertain whether offenders differ in respect of their mental and physical endowment from the average member of society. Such comparisons are not easily made. Care must be taken that the offenders are compared with the average member of that section of society from which they are drawn. This precaution is necessary because different sections of society may not have the same endowments. The results of two careful investigations may be quoted. Professor Cyril Burt has made an exhaustive analysis of numerous cases of juvenile delinquency. He obtained full details about these young offenders and their families, and at the same time obtained similar information for normal children from the same section of society. All instances of congenital or inborn mental or physical peculiarities were noted. He found that congenital factors were 'recorded among delinquents rather more than three times as often as among non-delinquents'. When the major congenital factors alone were considered, they were found present among 36 per cent. of all the boy and among 41 per cent. of all the girl delinquents. It follows that 'in well over one-third of all the cases, but in rather less than one-half, some deep constitutional failing proves the primary source of misconduct'.¹²

Dr. Goring made an elaborate investigation into three thousand convicts, and among other matters he investigated their physical characteristics. Let us consider his findings in relation to stature. He divided the convicts into eight groups according to the occupational class from which they were drawn, and then compared the criminals in each group with the average of the occupational class

from which they came. He found that the stature of the criminals in each case was about two inches less than the average of their class.¹³ Turning to his findings regarding the mental characteristics of criminals, we discover that here again criminals seem on the average to differ from the general population. His conclusions are that not less than 10 per cent. and not more than 20 per cent. of criminals are mentally defective, whereas the proportion of mental defectives among the general population is very much less.¹⁴ What this proportion is will be discussed in the next chapter. It may be said that it is probably less than 1 per cent.

It would thus appear that offenders are on the average somewhat less well equipped mentally and physically than the rest of the population. It is important not to misunderstand this statement. It does not mean that all mental and physical defectives are criminals. That is obvious nonsense. Nor does it mean that all criminals are defectives of one kind or another. That is almost equally obviously untrue, and it is well brought out by a further analysis which Dr. Goring made of his figures concerning the physique of criminals. He found that 'offenders convicted of violence to the person are characterized by an average degree of strength and of constitutional soundness considerably above the average of other criminals and of the law-abiding community'. There is also reason to think that persons convicted of certain kinds of fraud are not inferior in mental capacity to the rest of the community.¹⁵ The statement made above merely means that those who are less well equipped mentally or physically than the average are more predisposed to catch the infection of crime than are normal persons. 'Heredity appears to operate,' says Professor Burt, 'not directly through the operation of a criminal disposition as such, but rather indirectly, through such constitutional conditions as a dull or defective intelligence, an excitable and unbalanced temperament, or an over-development of some single primitive instinct.' To physical defects he attributes considerably less importance than to mental peculiarities.¹⁶ Persons constituted as

described by Professor Burt are more likely to become criminals than others. That is all; but it is enough to make the inborn equipment of our population a matter of interest and importance because of its bearing upon social structure.

XIX

INBORN QUALITIES

MORE than once in the course of our discussion we have been led to notice the possible importance of inborn qualities in shaping the social structure of this country. The occupation which a man follows is not wholly the result of the educational, social, and other opportunities which have come his way. His natural gifts play some part in determining what occupation he takes up, and an even greater part in determining whether he does his work well or badly. It is now time that we examined the position more closely.

It is not possible to discuss here the very difficult question as to how far differences in natural gifts determine differences in achievement. It is universally allowed that they have some influence. No one supposes that it is possible to put a sharp cutting-edge on a leaden blade. A certain proportion of boys and girls, for instance, are admittedly unable to profit from higher academic training in universities owing to lack of intellectual gifts, although they may be well endowed with manual dexterity and able to profit from training of eye and hand. This being so, our task is to survey what is known regarding the distribution of natural gifts in the community.

A question first arises as to the possibility of measuring natural gifts. It is not difficult to measure some physical characteristics. We can measure a man's stature, though it is not so easy to test his power of resistance to disease or to assess quantitatively his health. We do not, in fact, possess measurements of the more important physical characteristics of a degree of accuracy and on a scale sufficient for making secure generalizations. The same is still more true of temperamental characteristics such as power of concentration. But we do possess numerous results of measuring one mental characteristic, namely intelligence. Therefore our discussion of inborn qualities must be confined to inborn intellectual qualities.

We must not, however, proceed too fast. It may be agreed that we can measure intellectual performance, but it may be held that what we are measuring is acquired and not inborn, or is a combination of inborn qualities and acquirements. This, again, is a matter that cannot be discussed here. It must suffice to say that, in the opinion of those best qualified to judge, the modern technique of intelligence-testing does measure innate endowment. It may be that all the effects of environment are not eliminated. But even if this be so, the results of intelligence tests when skilfully applied are accepted as generally indicative of inborn differences. We are therefore in possession of a method by means of which we can go some way towards investigating the distribution of this important native quality.

An extensive investigation of the distribution of intelligence was carried out by Duff and Thomson in Northumberland in 1922.¹ All children in elementary schools and most children in secondary schools between the ages of eleven and thirteen in Northumberland (Newcastle and Tynemouth excepted) were tested. In all, there were 13,220 elementary school pupils and 405 secondary school pupils between these ages, making a total of 13,625. There were 30 spoilt papers, but it was possible to ascertain the I.Q., or Intelligence Quotient, of each of the remaining children. For the benefit of those not acquainted with the subject, it may be explained that the

TABLE LXXVII

Distribution of Intelligence in Northumberland

<i>Intelligence Quotient</i>	<i>Girls</i>	<i>Boys</i>	<i>Total</i>	<i>Per cent. of Total</i>
140 and over	4	12	16	0·1
130-9	49	80	129	1·0
120-9	318	414	732	5·4
110-19	1,146	1,129	2,275	16·7
100-9	1,765	1,833	3,598	26·5
90-9	1,779	1,757	3,536	26·0
80-9	991	981	1,972	14·5
below 80	622	715	1,337	9·8
	6,674	6,921	13,595	100·0

I.Q. is independent of age, and that an I.Q. of more or of less than 100 is indicative of an intelligence above or below normal. The results are shown in Table LXXVII.

These figures may be compared with others, given by Gray and Moshinsky in the course of an investigation into the relation between ability and opportunity in English education. The children concerned were pupils in London schools. In all, over 10,000 children were sampled, covering an age-range of 9 to 12½ years.

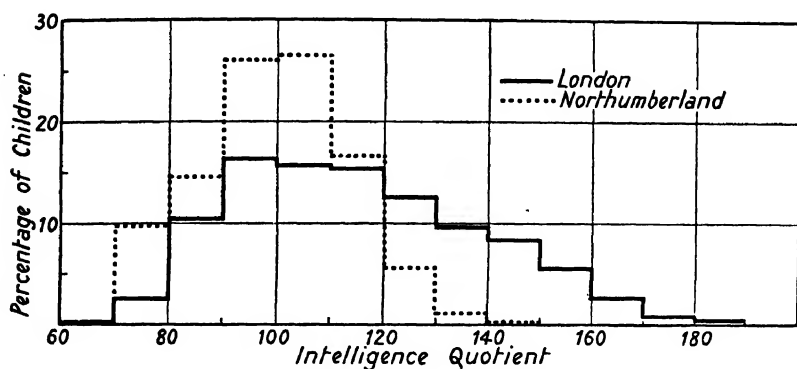
TABLE LXXVIII²*Distribution of Intelligence among London Schoolchildren*

<i>Intelligence Quotient</i>	<i>Percentage of Total</i>
180-9	0.4
170-9	0.8
160-9	2.5
150-9	5.6
140-9	8.3
130-9	9.6
120-9	12.5
110-19	15.3
100-9	15.7
90-9	16.2
80-9	10.5
70-9	2.5
60-9	0.1
	<hr/> 100.0

The results of these investigations can be seen in a better light when they are graphed. It is then clear that most of those tested are reasonably gifted with intelligence. But there are a number definitely handicapped by a low native intelligence and there are others exceptionally well endowed with natural gifts.

It may be observed in passing that in all probability the situation is substantially similar for physical and other mental characters. In other words, we have reason to believe that all mental and physical characters have an inherited basis and that, in respect of any one character, only a few members of the community are unusually well gifted and only a few are unusually deficient. We believe that we should be led to construct histograms not unlike the above—with more or less departure from symmetry

according to the character sampled—if we could measure in the population at large the distribution of power of resistance to disease, of vivacity, of power of concentration, or of any other physical or mental attribute. At present we only have evidence concerning the distribution



Distribution of Intelligence among London and Northumberland School-children

of intelligence, and we must confine ourselves to a consideration of this important human quality. The evidence raises a number of problems. We may first turn our attention to those who are very poorly endowed and ask how many of them there are, because some of them are likely to become a burden upon the community sooner or later. We may next ask whether intelligence is equally distributed among the various occupational and other classes. Finally, we may inquire as to the existence of any machinery for sifting the more from the less intelligent and directing them into occupations suitable to their intelligence.

Those very poorly endowed with natural intelligence are classed together as the mentally deficient. The mentally deficient should not be confused with the insane. Though not strictly accurate, it is not misleading to think of the former as persons whose innate mental capacities are small, terming them 'aments'; while many of the latter are persons who are not necessarily endowed with less than normal intelligence, but their intelligence has become

deranged, and they are termed 'dements'. The former range from idiots, the most seriously afflicted, at one extreme, to those who are merely feeble-minded at the other. Those individuals who are classed as idiots are wholly unable to look after themselves and guard themselves against common physical dangers; the feeble-minded are those who require least supervision and help; an intermediate class known as imbeciles comprises those who, though less gravely afflicted than idiots, are incapable of managing themselves and their affairs. The mentally deficient group as a whole is not qualitatively distinguished from the rest of the population: the dividing line is arbitrary. Similarly the three classes of mentally deficient individuals are not qualitatively separable. They represent grades of defect distinguished for convenience. It is of the essence of the whole matter to regard the population as continuously graded in respect of intelligence as it is in respect of income. The dividing line is arbitrary, and there is no general agreement as to the precise amount of intelligence, measured by tests, which, apart from all other considerations, would justify placing an individual among the feeble-minded. Such an agreement is hardly to be expected, inasmuch as mental deficiency is a legal term, and the legal definition of deficiency changes when the school-leaving age (usually 16 for this class) is reached; the criterion of defect in children is whole or partial ineducability, while in adults it is social incapacity. Therefore doctors engaged in examining doubtful cases do not abide by the results of intelligence-tests alone. It may be said, however, that most of those who are classed as feeble-minded have an I.Q. between 50 and 70. Thus, out of 2,712 children in special schools for the feeble-minded in 1925, 22 per cent. had an I.Q. of more than 70, 61 per cent. between 50 and 70, and 17 per cent. under 50.³

Until the Royal Commission on Mental Defect made an estimate relating to the year 1906 there was no information concerning the number of mental defectives in the country. Alongside the estimate then reached can be

placed an estimate made twenty years later by a Joint Committee on Mental Deficiency representing the Board of Education and the Board of Control. It will be seen from Table LXXIX that the incidence of defect was estimated by this Committee as twice as great as that estimated by the Commission twenty years before. The question at once arises whether the difference is due in whole or in part to more thorough ascertainment at the later date. There can be little doubt that better ascertainment provides part of the explanation; between 1906 and 1926 methods of ascertainment had greatly improved, and the Committee had at its disposal a more expert staff than the Commission. On the other hand, it is hardly possible to account for the whole difference in this way. It is noteworthy that the figures for 1926 show an increase which approximates to a doubling in the incidence of each grade of defect. If the higher total figure for 1926 had been due wholly to a more thorough search, one would have expected a greater proportional increase than we find in the feeble-minded as compared with the more gravely afflicted. For an incomplete search would be more likely to miss some of the former, whom it is not always easy to detect, than the latter, whom it is less easy to overlook.

However that may be, the figure for 1926 may be taken as substantially accurate. It must be remembered that it is a minimum figure, and that it certainly does not overstate the case. Also, the criterion is that used in the case of adults, namely social incapacity. Therefore the figures do not include those children who, while feeble-minded in the sense that they cannot profit from normal education, are not so socially incapable on leaving school as to be classed as defective. Experience indicates that about one-third of those judged when children to be feeble-minded are later able to look after themselves. Therefore, assuming an incidence of 8.57 per 1,000 still to prevail, we have in England and Wales about 348,000 mental defectives, including 14,000 idiots, 62,000 imbeciles, and 272,000 feeble-minded.

In order to provide for the needs of these 348,000

TABLE LXXIX⁴

*Estimated Incidence of Mental Defect
England and Wales, 1906 and 1926*

Grade	Total	Per 1,000 of Estimated Population	
	1935	1906	1926
Idiots	14,000	0·25	0·35
Imbeciles	62,000	0·73	1·52
Feeble-minded { Adults	272,000	1·57	3·34
Children		1·47	3·36
	348,000	4·02	8·57

persons the following machinery has been created. Under the Education Act of 1921 local education authorities are required to ascertain what mentally deficient children there are within their areas, and to make special provision for them. Under the Mental Deficiency Act of 1913 county and county borough councils have the duty of ascertaining, not how many defectives there are in their areas, but how many there are with whom they have a statutory duty to deal. The latter are defectives who, for instance, are found neglected, abandoned, cruelly treated, guilty of a criminal offence, undergoing imprisonment, or notified by the local education authority as incapable of receiving benefit in a special school. It will be observed that we ought to get a complete census of mentally defective children of school age through this machinery, but at best it can give us only an incomplete census of defectives of other ages.

Let us now see how this machinery works. It has been estimated that in 1934 there were 105,000 feeble-minded children of school age.⁵ In that year there were 14,364 feeble-minded children in day special schools and 2,223 in residential special schools, a total of 16,587.⁶ Therefore less than one-sixth of all the children, who should have been in special schools for the feeble-minded, were receiving the benefits of that form of special provision. It is evident that the machinery is being very half-heartedly worked so far as children are concerned. It is less easy to determine how far the intentions of the legislature are

being fulfilled so far as other defectives are concerned; for the local authorities are responsible, not for all mentally defectives other than defective children capable of profiting from special schools, but only for certain classes of them, and we do not know how many fall within these classes. But the Mental Deficiency Committee estimated that 124,284 mental defectives ought to live in institutions.⁷ On January 1st, 1935, there were 37,987 persons (26,591 over 17 years of age) in institutions, 33,377 under supervision, and 3,327 under guardianship.⁸ Therefore it is clear that, in respect of those with whom the local authorities are supposed to deal under the Act of 1913, the machinery is not yet operative to more than about half the extent required.

As emphasized above, the feeble-minded are only distinguished from the rest of the population with difficulty. If we could line up the population in the order of their innate mental equipment, then the mentally defective would be those whose innate equipment falls below a certain arbitrarily selected level. Next above them would come persons whose mental equipment, though not so poor, is still well below the average. They may be called the dull and backward. Some years ago the Chief Medical Officer of the Board of Education, on the basis of a careful calculation made with regard to London school-children, estimated that there were not less than 600,000 backward children of school age in England and Wales. 'This group', he remarked, 'is unable to respond with proper benefit to our educational system, and adds 50,000 recruits to our industrial army every year who are not only unprepared by mental retardation to meet effectually the demands of a full life, but who furnish society with the bulk of its inefficient adults—criminals, paupers, mendicants, and unemployables.'⁹ If this were a fair picture of the situation when these words were written, it is likely to be equally true now, and thus it is apparent that, when we have taken the mental defectives only into account, we have not fully envisaged the problem created by inadequate mental endowment.

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So far we have been discussing the number of mental defectives and of dull and backward persons. Can we say anything as to where they are to be found? The incidence of defect as reported from locality to locality varies very widely; it was 7.05 per 1,000 in Cardiganshire and 0.68 per 1,000 in Huntingdonshire in 1934.¹⁰ These differences are no doubt mostly due to differing degrees of energy exerted by local authorities under the Act. There may also be real differences in local incidence; indeed, the Mental Deficiency Committee concluded that there was proportionately more feeble-mindedness in the country than in the town. There are no certain indications that defect is more prevalent in one occupation than in another if they call for the same degree of skill and mental aptitude. There is abundant evidence, however, to show that the feeble-minded (as opposed to the more grossly defective) are most frequently recruited from that group in the community which has come to be known as the social problem group because the families composing it are so largely responsible for creating the social problems which remain unresolved.

When we come to discuss the distribution not merely of defect but of mental endowment as a whole, we have information of no little interest. On a previous page we quoted figures from an investigation in Northumberland showing the results of testing the intelligence of school-children. When this investigation was made, particulars as to the occupations of the fathers of the children were obtained in all but 176 cases out of a total exceeding 13,000. It was thus possible to place each father in the occupational group to which he belonged, and to calculate the average intelligence quotient for the children of the fathers in each group. The result is shown in Table LXXX.

An attempt was also made to divide the fathers into those who worked by brain and those who worked by hand; some occupations which could not be readily placed in either group were omitted. When the remainder, 12,570 in all, were allocated to one class or the other, the average I.Q. of children of fathers who worked by brain

TABLE LXXX¹*Occupations of Fathers and Intelligence of Children
in Northumberland* •

<i>Occupations of Fathers</i>	<i>Average I.Q. of Children</i>
Professional	112.2
Managerial	110.0
Higher Commercial	109.3
Army, Navy, Police, Postmen	105.5
Shop-keeping	105.0
Engineering	102.9
Foremen	102.7
Building	102.0
Metal Workers, Ship-Builders	100.9
Miscellaneous Industrial Workers	100.6
Miners and Quarrymen	97.6
Agriculture (all classes)	97.6
Low Grade Occupations	96.0

turned out to be 106.6, and of children of fathers who worked by hand 98.6.¹

A considerable number of other investigations have been made, all of which give similar results; that is to say, the children of the better paid parents have the highest average intelligence quotients. When attempting to ascertain the meaning of these results, it must be remembered that, as said above, they may be influenced by the environment in which those tested have been living. When the surroundings are roughly equivalent, as they are for children whose parents belong to one occupational group, different intelligence quotients may be taken as indicating differences in inborn qualities. But when the parents belong to occupational groups as widely separated, so far as mode of life is concerned, as the professions on the one hand and agricultural labour on the other, it may be that the more favourable surroundings experienced by children of the better paid explain, in part at least, their better performances when tested. Nevertheless, it is not easy to account for all such differences in this way, and we are left with the impression that there is some average difference between the children of those following different occupations. But after all this is only what we should expect. We have seen that an educational ladder exists and is climbed by a certain number of children who are able to

pass examinations; and there is plenty of evidence that those who do best in examinations also do best under intelligence tests. We have also seen that there is a certain amount of social mobility. In other words a certain number of the more intelligent children of the less well-off parents are always being sifted out and put on their way to enter the better-paid occupations. Since children tend to resemble their parents in respect of intelligence, we should, therefore, expect to find some difference, though not perhaps a great difference, between the average intelligence of children of parents belonging to different occupational groups.

The evidence so far reviewed in this chapter shows in the first place how very greatly members of the community vary in intelligence, whether that which is defined and measured as intelligence is inborn or in part acquired. It is, indeed, difficult to exaggerate the huge gap which exists between the most adequately and the least adequately endowed. Genius and imbecile pass one another in our streets. Judging by intellect, which is the chief distinguishing human characteristic, we might fairly place the genius in one species and the imbecile in another. The second lesson is that those least well endowed constitute a problem in themselves, and they are not negligible in numbers. The third conclusion is no less important. Let us compare Table LXXVII, the result of ascertaining the number of children with different grades of intelligence, with Table LXXX, the result of calculating the average intelligence of the same children classified according to the occupations of the fathers. Having ascertained the huge range of difference as shown in Table LXXVII, we might have found on working out Table LXXX that all the most intelligent children were offspring of fathers engaged in the most skilled occupations, and that all the least intelligent were offspring of the least skilled fathers. On the other hand, we might have found no difference between the average intelligence of the offspring of fathers of different occupations. In fact we do not get either of these results, but one which is intermediate, inclining

rather more to the latter than to the former of the two possible extremes.

Among inborn characters we have considered intelligence alone, not because other characters are unimportant, but because nothing of importance is known as to their distribution in the population. Though little is known, there is every reason to suppose that the position is similar to that outlined above: it is almost certain that men differ as widely in their innate temperamental, instinctive, and physical qualities as in their inborn intellectual qualities. Again, there can be no doubt that, in regard to these qualities also, there is a class so defective in their inborn endowment as to constitute a serious problem. The existence of a class of persons who are physically defective by nature is obvious. Further, we have every reason to suspect that these other qualities are distributed unequally among the occupational classes. The sifting process does not affect intellectual qualities alone. Men get into or fall out of occupations on account of the presence or absence of qualities other than intellectual. It is not unreasonable to suppose that the inborn physique of miners is superior to that of tailors, and that men temperamentally energetic and ambitious tend to occupy the best situations. But, since no definite information is available, we must leave the matter at this point. A census of the inborn qualities of the community is just as desirable as a census of incomes. As yet, however, no plans have been laid for the taking of such a census.

Before leaving this matter, it may be observed that the machinery for sifting the population and allocating members of the community with certain inborn characteristics to particular occupations is undergoing continual improvement. The educational ladder is being broadened; elaborate methods of vocational guidance are being evolved; the entrance to most professions is now barred to those below a certain level of intellectual attainment. In consequence, we must expect the existing average intellectual differences between members of the various occupational classes to grow larger. These considerations make the necessity for

an inquiry into the recruitment of the coming generation a matter of great importance. Is the next generation to be recruited to a greater extent from those having more than the average intellectual endowment or from those having less?

THE RECRUITMENT OF THE POPULATION

WE began with an examination of the population of this country. We inquired how many people there are, in what proportion the two sexes and the various age groups are represented. We went on to inquire how and where they live, and the whole discussion up to this point has taken the form of an analysis of the population as it is. But the population is not static. Every day some disappear from the scene and others take their places. It does not, however, follow that those who fall out in any given space of time are replaced by an equal number of new recruits. The population may be increasing or decreasing. Nor does it follow that those who disappear are replaced by the same kind of people. Persons endowed with certain kinds of inborn characteristics may be replaced by persons endowed with other kinds. This process of replacement is always in progress, and it remains to say something about the recruitment of the population in quantity and in quality.

Any discussion of the manner in which the population is now being recruited and of the probable course of events in the near future must be prefaced by some reference to the immediate past. Our interests may centre in the present, as in this book, but the present constitution of the population is only to be understood in the light of events in the last few decades. A very brief reference to past times must, however, suffice.

An increase in population can only come about when the new arrivals, whether by birth or immigration, exceed the departures by death or emigration. Between 1821 and 1921 the population of England and Wales more than trebled.¹ This remarkable increase was due not to an increase in the rate of arrival, but to a decrease in the rate of departure. The birth-rate remained approximately steady up to about 1876, since which date it has declined.²

212 RECRUITMENT OF THE POPULATION

Immigration has been a negligible factor, and may be disregarded; emigration has fluctuated considerably in volume. The net result is that the average annual percentage increase of the population of England and Wales was relatively high, and remained fairly constant up to the early years of the present century. The rate of increase then began to decline, owing to the fact that the decline in the death-rate ceased to keep pace with the decline in the birth-rate. The position is summarized for the period 1881-1934 in the following table:

TABLE LXXXI³
Analysis of Growth of Population
England and Wales, 1881 to 1934

Year	Population (M)	Period or Year	Average Annual Percentage Change in given period			
			Gain by Births	Loss by Deaths	Loss (-) or Gain (+) by Migration	Net Increase
1881	26.0					
1891	29.1	1881-90	3.43	2.03	-0.23	1.17
1901	32.6	1891-1900	3.17	1.93	-0.03	1.21
1911	36.1	1901-10	2.87	1.62	-0.16	1.09
1921	37.9	1911-20	2.25	1.44	-0.32	0.49
1931	40.0	1921-30	1.85	1.26	-0.04	0.55
1932	40.2	1931-2	1.57	1.21	+0.18	0.54
1933	40.4	1932-3	1.49	1.23	+0.11	0.37
1934	40.5	1933-4	1.45	1.20	+0.42	0.68

The decline in the birth-rate requires some further analysis. It is not due to a decline in the marriage rate. The average number of persons married per 1,000 living at all ages has fluctuated slightly during the period, but shows no tendency to decline.⁴ Our attention is next directed to the ages of wives, which is important because the possibility of bearing children ceases round about the age of 45. We find that the number of wives under 45 per 1,000 of the total population has not sensibly changed. It was 115 in 1871 and 123 in 1931. But when we look more closely at these figures, we find that out of 1,000 wives under 45 the proportion under 35 has decreased, being 607 in 1871 and 547 in 1931.⁵ The importance of this lies in the fact that women under 45 are not all equally

fertile—the older the wife, the less is the chance of bearing a child. It thus follows that some part at least of the decline in the birth-rate has been due to a change in the average age of wives. It can, however, be shown that this has not been the chief factor in the decline. We can calculate to what degree the chance of bearing a child is lessened by increasing age, and we can therefore calculate the influence which this factor has had in producing the decline. The results of such a calculation are set out in the following table, where the birth-rate in 1931 is taken as equivalent to 100. The birth-rate has declined from 238 in 1870–2 to 92 in 1934, not allowing for change in age of wives. When allowance is made, the decline has been from 215 to 93.

TABLE LXXXII⁶
*Effect of Age of Mother on Birth-Rate**
England and Wales.

Period	Birth-rate Index (1931 = 100)	
	Not Allowing for Age	Allowing for Age
1870–2	238	215
1880–2	233	212
1890–2	215	198
1900–2	192	180
1910–12	161	159
1920–2	146	146
1930–2	100	100
1931	100	100
1932	96	96
1933	90	91
1934	92	93

* Births per 1,000 married women of age 15 to 45.

Evidently the decline is in the main due to a decrease in the number of children born to wives irrespective of age. It is now very generally held, for a variety of reasons into which it is not possible to go, that this decline is the result of the deliberate restriction of the size of the family. There are no grounds for suspecting that any other factor is at work, such as a decline in reproductive capacity. Evidence from many different sources points to birth-control as the main cause.

The cause of the decline in the death-rate is not obscure.

It is due to improvements in housing, sanitation, hygiene, and medical skill. But there is one matter which deserves attention. These improvements were first effective chiefly in regard to the older age groups. Only since about 1900 has any considerable improvement been brought about in the death-rate of infants. The number of deaths of infants under one year of age in 1890-2 was 149 per 1,000 living and 146 in 1900-2, since when it has continuously declined. It was 66 per 1,000 in 1931 and 59 in 1934.⁷ The importance of this observation lies in the fact that the decline in the death-rate cannot be expected to continue at the former pace. Much remains to be done both in increasing knowledge of hygiene and in applying such knowledge as we have; but there is not now any very black spot such as existed twenty years ago where, by the application of knowledge, dramatic reductions in the death-rate can be brought about.

This past history explains the present age constitution of the population of this country. Though there is no such thing as a normal age constitution, we can say that the present age constitution is very unusual; this is so because the factors which have determined it have been very unusual. The drop in the birth-rate, which had been declining for sixty years, has been exceptionally steep in the last two or three decades. In consequence, children and juveniles are relatively scarce; for the supply of young life has been much reduced. People over sixty are also unusually scarce; such as exist are the remnants of a population much less in size than the present population, and they have been subject to the heavy death-rate characteristic of past decades. On the contrary, people of middle age are present in relatively large numbers. Figures illustrating the change in the age distribution of the population were given in Table V on p. 5.

The present unusual age distribution has the effect of making the birth-rate higher and the death-rate lower than we may expect them to be in years to come. To understand why this should be so, the following points must be taken into account. Births can only occur among women of

child-bearing age. At any given time a certain proportion will be married and have families of a certain size. Supposing that the proportion married and the average size of family remain unaltered, a rise in the proportion of women of child-bearing age will evidently raise the birth-rate, while a decline will lower it. Therefore, since the proportion of women of child-bearing age will shortly decline, owing to the relatively small number of young people, we may anticipate, other things remaining the same, a further fall in the birth-rate. To understand the effect of the unusual age distribution upon the death-rate, it should be remembered that the incidence of death is higher among the old than among the middle aged. In the near future we may expect the proportion of elderly people to increase: that is clearly the trend indicated in Table V. It follows that we may anticipate a rise in the death-rate, even if the chance of dying at any given age remains as it is now.

The gap between the birth- and death-rates is now small. In the light of what has been said it is evident that it might close, and that the death-rate might exceed the birth-rate without any further diminution in the size of the family or any increase in the chances of death at given ages. This being so, the prospect as to the future population of the country deserves careful examination. A method is available, easy to understand but laborious in practice, whereby, if certain assumptions be made, the future population of the country can be calculated. To apply the method it is necessary to begin with the population divided into age-groups. Let us suppose that we begin with the population divided into five-year age-groups, 0 to 5, 5 to 10, 10 to 15, and so on, and that we want to calculate what the population will be five years from now. At that date those now 0-5 will be 5-10 years old; to ascertain how many there will then be 5-10 years of age, we must subtract those who will die. It is at this point that the first assumption is required, an assumption regarding mortality. Taking whatever assumption is preferred, it is easy to calculate the deaths and therefore the

216 RECRUITMENT OF THE POPULATION

number of those aged 5 to 10 in five years' time. In a similar manner the numbers who will be 10 to 15, 15 to 20, 20 to 25, and so on, five years hence are calculated. But the number of those aged 0-5 five years from now is still required. Here a second assumption is necessary, for we must assume a certain fertility. Taking whatever fertility is preferred, and applying it to the women of child-bearing age, it is possible to determine the number of infants of age 0-5 five years hence. Finally, by adding the numbers in all age-groups together, we get an estimate of the total population living in five years' time.

Dr. Enid Charles has made two calculations of the above type based on different assumptions. In the first, *A*, she assumes that fertility and mortality will remain as they were in 1933; and in the second, *B*, she assumes that fertility and mortality will fall, the first until 1985 and the second until 1965, after which dates they will both stabilize. In both cases she assumes that there is no gain or loss by migration. The results are shown in Table LXXXIII

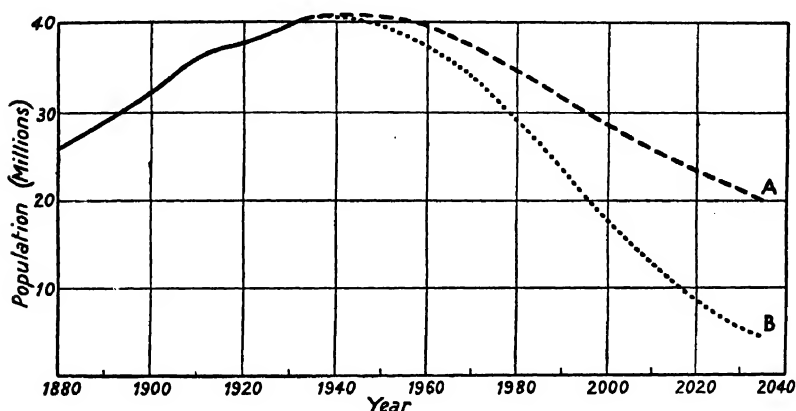
TABLE LXXXIII⁸

Estimates of the Future Populations of England and Wales

	<i>A</i> (000s)	<i>B</i> (000s)
1945	40,876	40,392
1955	40,207	38,777
1965	38,504	35,799
1975	36,038	31,452
1985	33,106	26,087
1995	30,019	20,440
2005	27,090	15,058
2015	24,467	10,456
2025	22,121	6,940
2035	19,969	4,426

and they are illustrated in the diagram on p. 217. Under assumption *A* the population drops to about one-half, under assumption *B* to about one-tenth, of its present size in a century from now. Therefore, the suspicions raised by considering the existing narrow margin between the birth- and death-rates and the unusual age distribution are discovered to be well founded. For even supposing, as on

the first assumption, that families remain at the average size prevailing in 1933, it appears that the death-rate will soon exceed the birth-rate. In other words, the population of this country is not now replacing itself, and the surplus of births over deaths is due to the unusual and transitory age distribution.



Population of England and Wales. 1881 to 1931, Actual (Census); 1945 to 2035, Estimated (Charles)

The nature of these calculations should not be misunderstood. Suppose that a man is passing a given point walking at a rate of three miles an hour. We can say that, if he goes on walking at this rate for an hour, he will be three miles away in an hour from now. That is in effect the sort of assumption Dr. Enid Charles has made in *A*. Suppose, secondly, that it is known that the man, now passing at a rate of three miles an hour, was known to have been walking at a rate of four miles an hour a short while ago. We may say that he is getting tired, that in half an hour his rate may have dropped to two miles an hour and will then remain steady. We can then calculate that, on this assumption, in an hour's time he will be between two and three miles away. In effect this is the sort of assumption Dr. Charles has made in *B*. It is beyond the scope of this book to discuss the rate at which the population is likely to decline in the future; it is

enough to point out that *if* conditions continue as at present, it will decline.

Our concern regarding the recruitment of the population does not end with numbers. We are also interested in the quality of the recruits. By quality is here meant the innate qualities or natural endowment of the new arrivals. It is obvious that the endowment of the new arrivals is not necessarily the same as that of those whose places they take. If those with poor natural intelligence contribute on the average more to the next generation than those with good intelligence, and if we may assume that in the region of intelligence like produces like, there will be a change in the average endowment of the population. Can we say what changes, if any, are now in progress?

In order to answer this question satisfactorily we should require to be able to mark off all those with certain inborn qualities, count the number of children born to them and the proportion who survive, and assess in turn their natural endowment. We could then compare the contribution which a certain number of these persons, say 1,000, make on the average to the next generation with the contribution made on the average by the same number of persons with a different endowment. We do not possess evidence of this nature.

In the first place, the groups which we can mark off are usually distinguished primarily by sociological characteristics, whether or not they are also distinguished biologically. Secondly, the information available regarding the contributions made by these groups to future generations is never complete and sometimes extends only to the birth-rate. We must, however, make the best of what we have, and we propose to say something regarding three different types of group, distinguished in the first case by social status, in the second by geographical area, and in the third by achievement.

In the General Register Office a classification has been devised which is intended to separate occupied males into different social grades.⁹ Every occupation recorded in the census is allocated to one of the following eight social

classes: Class I, Upper and Middle; Class II, Intermediate; Class III, Skilled; Class IV, Intermediate; Class V, Unskilled; Class VI, Textile Workers; Class VII, Miners; Class VIII, Agricultural Labourers. It would be possible to allocate all occupied males to the first five classes, in which case the great majority of those comprising the so-called 'working class' would fall within Classes III to V. In fact, members of the working class engaged in the textile, mining, and agricultural industries are not included in Classes III to V, but are allocated to Classes VI to VIII respectively. Two principles are thus followed in making this classification. The social standing of those following any occupation is the criterion in respect of allocation between the first five classes. Thus a clerk is placed in Class I and a shop assistant in Class II, though the latter may have a higher income than the former. Nevertheless, it is clear that Classes I to V are also distinguished by economic and occupational differences. Members of Class I, for instance, have on the average higher incomes than members of Class II, and members of Classes I and II comprise the commercial and professional occupations, whereas Classes III to V comprise

TABLE LXXXIV¹⁰

*Legitimate Birth-rates in Certain Social Classes
England and Wales, 1911 and 1921*

<i>Description of Class</i>	<i>Births per 1,000 Married Men under 55 Years of Age</i>	
	1911	1921
I. Upper and Middle Class	119	98
II. Intermediate	132	105
III. Skilled Workmen	153	134
IV. Intermediate	158	153
V. Unskilled Workmen	213	178
VI. Textile Workers (not included above)	125	110
VII. Miners "	230	202
VIII. Agricultural Labourers "	161	155
III-VIII. Working Classes	175	152
All Classes	162	141

the manual labour occupations. In Classes VI to VIII, however, the criterion is industrial, though it must be remembered that working-class followers of these occupations alone are placed in these classes.

Table LXXXIV shows the birth-rate per 1,000 married men in the eight social classes for 1911 and 1921. Unfortunately, the occupational classification was completely revised in 1921, with the result that the figures for the two years are not strictly comparable. The changes were such as to make possible a more satisfactory allocation of occupations to their several social grades; for example, in 1921 only those engaged in the higher professional occupations were in the main left in Class I. In spite of these drastic changes, which vitiate any detailed comparison, two broad conclusions can be drawn with safety. In both years fertility, as measured by the number of children born to 1,000 married men under 55 years of age in each group, increases regularly with descent in the social scale. With regard to Classes VI to VIII it should be remarked that, had they been distributed among the remaining five classes, they would all have fallen within Classes III to V, though no doubt the members of each class would have contributed to Classes III to V in unequal proportions. Bearing this in mind, it is noteworthy that textile workers should have a birth-rate somewhat similar to that of Class II and agricultural labourers to that of Class IV, while miners exceed even unskilled labourers in fertility. The second conclusion to be drawn from the table is that the birth-rate in every single class was less in 1921 than in 1911, pointing to the strong probability that the decline was not confined to any one section of the population.

Turning next to groups classified by their place of residence, Table LXXXV throws some light on the position. It enables us to make comparison between different regions and different aggregations of population. In addition, since Wales is separable from the rest of the country, we are in a position to make the only comparison possible between two distinct national groups. The differences to be observed in the table are not large, but, such as they

TABLE LXXXV¹¹

*Birth-rates by Geographical Regions
England and Wales, 1932 and 1933*

Region	Birth-rate per 1,000 of Total Population		Ratio to Rate for England and Wales taken as 1,000	
	1932	1933	1932	1933
England and Wales	15.3	14.4	1,000	1,000
Areas outside Greater London :				
County Boroughs	16.0	15.0	1,028	1,028
Other Urban Districts . . .	15.0	14.1	980	983
Rural Districts	15.4	14.7	1,074	1,087
North I	18.5	17.2	1,172	1,161
II	17.0	16.0	1,161	1,158
III	15.1	14.4	948	958
IV	15.2	14.4	1,008	1,013
Wales I	16.2	15.7	1,028	1,063
II	14.9	14.3	1,189	1,210
East	15.3	14.4	1,061	1,063
Midland I	16.0	14.8	1,039	1,024
Midland II	15.6	14.5	962	954
South-west	13.9	13.4	978	998
Greater London	14.6	13.5	923	907
Rest of South-east	14.3	13.7	980	993

are, they indicate a higher fertility in the rural than in the urban districts. In the last two columns of the table the rates are standardized, allowance being made for differences in age-composition. We then find London at one extreme, with an exceptionally low fertility, and North Wales (including Anglesey) at the other extreme, with an exceptionally high fertility. The regions in the South of England, Midlands II, and North III approximate to London with a fertility below the average of the country as a whole; the more depressed of the northerly regions approximate to North Wales; the remaining areas, including Lancashire and South Wales, occupy an intermediate position. Wales, taken as a whole, clearly has a fertility above that of England, but the amount of diversity within England itself makes it quite impossible to generalize on the basis of national differences alone.

The remarkable fact, however, is the smallness of the differences we have been considering. It is possible to find much larger differences between small areas or between individual towns, and such differences may be due

to a variety of factors. Locality, the fact that two places are near to or far from one another, may count for but little. Of this, one example will suffice. In Liverpool, a city with a large Catholic population, the mean birth-rate fell between 1881-5 and 1926-30 in the proportion 150 to 100; the corresponding fall in Wallasey, a dormitory town on the opposite side of the River Mersey, was in the proportion 202 to 100.¹²

Groups can also be distinguished by what may conveniently be called achievement. Achievement may be positive or negative, meritorious or otherwise. A considerable amount of scattered information exists regarding various groups which come under this heading. A few facts may be quoted respecting mental defectives and the class from which they spring as an example of lack of achievement, respecting criminals as an example of non-meritorious achievement, and respecting those who perform well in intelligence tests as an example of positive achievement.

The most recent large-scale inquiry in this country concerning the fertility of defectives was one made by an important Departmental Committee on Sterilization of which the Report was published in 1934. A circular was issued to all mental deficiency authorities asking them to send in a return of the children of all known defectives in their area. The total number of cases reported was 3,733, the mother being defective in 3,247 cases and the father in 486 cases. These defectives produced 8,841 children, of whom 2,001 or 22·5 per cent. had already died. The high percentage of deaths was said to be doubtless due in some measure to the poor environment in which many defectives live and to their inability to take proper care of their children, but it also went far to confirm evidence from other sources of a relationship between mental defect and inherent poor physique. The general conclusion of the Committee as to fertility deserves to be recorded in their own words:¹³

‘There is a widespread belief that one of the characteristics common to defectives is abnormal fertility. This

is not borne out either by the inquiry or by such other statistics we have been able to collect bearing upon the size of the families of known defectives. Such statistics are not entirely conclusive in the absence of recent data as to the fertility of normal unions, and there is the obvious difficulty that our returns included many women who are now inmates of institutions and are therefore protected from further child-bearing, as well as others still living in the community who are young enough to produce more children. It is, of course, recognized that there are erotic defectives, who are in general quite unfit to be left at large. It would be easy, though it would serve no useful purpose, to cite cases of excessive fertility; but we are convinced that these cases are exceptional and prove nothing except the terrible results of leaving at large a type of defective wholly unfitted for community life. Except for a relatively small number of isolated instances, we find that there is no evidence of excessive fertility, and indeed it would be easy to set off against these exceptional cases a much larger number of cases in which the fertility rate was low. The supposed abnormal fertility of defectives is, in our view, largely mythical and results from the accident that from time to time distressing exceptions to the general rule find their way into the Courts and are noticed in the Press.'

Although mental defectives themselves—especially those of the grosser type who are normally under care in institutions or otherwise, and who in any case would not in general be attractive to their fellows—may be below the average in fertility, there is abundant evidence to prove that the feeble minded frequently spring from stocks that are exceptionally fertile. To quote one illustration, in a sample of 1,115 families containing one or more mental defective children on Merseyside, the mean number of children born per family was 7.2.¹⁴ This conclusion is not without significance, because the Committee on Mental Deficiency established the fact that defectives are to be found in much more than normal frequency within the social problem group of the community, a group that is

224 RECRUITMENT OF THE POPULATION

distinguished by its general fecklessness, lack of intelligence and skill, and by a not surprising high experience of unemployment and poverty. In view of these considerations the figures in Table LXXXVI have a close bearing upon the subject of our present inquiry, throwing light as they do upon the relation of skill, regularity of employment, and economic condition to fertility.

TABLE LXXXVI¹⁵
Fertility of Different Groups Compared
(Mothers of 40 to 50 years of age)
Merseyside Survey

Percentages of Families with Children to the Number Shown

Number of Children	Fathers engaged in			Fathers		Position in relation to Pov. Line	
	Non- manual Work	Skilled Manual Work	Un- skilled Manual Work	In Regular Employ- ment	Unem- ployed	50 per cent. or more above	Below the line
Alive: 0 to 2 . . .	58.4	42.5	30.2	39.4	34.8	43.3	30.1
6 or more . . .	6.8	19.0	26.8	20.0	30.3	17.8	26.5
Dead: 0 . . .	74.6	65.0	43.8	61.9	33.0	60.7	37.0
3 or more . . .	2.5	6.0	21.5	9.0	25.0	11.0	27.0
Number of Families .	118	367	523	596	89	753	189
Mean Number of Children							
Alive	2.41	3.38	3.93	3.44	3.97	3.24	4.02
Dead	0.44	0.61	1.49	0.80	1.85	0.88	1.77
Born	2.85	3.99	5.42	4.24	5.82	4.12	5.79

It was stated that persons who are certifiable as defective are not prolific, and the same is probably true of the criminal class. Dr. Goring made an elaborate study of the records of over 2,000 convicts, and came to the conclusion that the ratio of the absolute fertility of criminals to the absolute fertility of the general community is roughly as 5 to 8.¹⁶

There are various pieces of evidence bearing upon the contributions made by those marked out by the possession of more than average intellectual powers. One of the most interesting investigations into this subject approaches the matter indirectly. Sutherland and Godfrey Thomson worked out the correlation between the size of family and

intelligence as given by intelligence-tests among 1,924 elementary schoolchildren in the Isle of Wight. They found a negative correlation of 0.218.¹⁷ Other evidence bearing upon this problem goes to confirm this result, namely, that the more intelligent parents, intelligence being estimated in various ways, make a somewhat smaller contribution to the next generation than the less intelligent parents.

Different rates of contribution by different groups in the population may be of importance in two ways. When groups differ in respect of sociological characters, children brought up in one group will absorb a social tradition different from that absorbed by children in other groups. Therefore, where differential contributions occur between groups so distinguished, children brought up in one tradition will form a larger or smaller fraction of the next generation than their parents formed of their generation. When groups are distinguished biologically, there will come about changes in the biological endowment of the population. Members of different social classes are primarily distinguished by the possession of different social traditions. There is some evidence that they are not equally endowed on the average with that particular type of intelligence which is measured by intelligence-tests. Therefore, the fact that the higher classes make a contribution less than the average to future generations may be biologically unfavourable so far as this one quality is concerned. This conclusion finds support in the evidence that the more intelligent come from the smaller families. On the other hand, so far as mental defectives and criminals are biologically inferior, their less than average contribution, if it be a fact, is biologically favourable.

In respect therefore of inborn intelligence, differential rates of contribution may be favourable in some ways and unfavourable in others. On the balance they are more likely to be unfavourable than favourable because of the definite evidence of low rates of contribution by those whom there is good reason to regard as particularly well endowed. The evidence of low rates of contribution by

the very poorly endowed is far less definite. But inborn intelligence is not all. Unfortunately, however, we know nothing as to the extent to which those who are well or ill endowed temperamentally and physically are contributing to future generations. Thus the net results of differential rates of contribution may be favourable or unfavourable. It is at least possible that, even if they are unfavourable in respect of inborn intelligence, they may be favourable in respect of temperament and physique and that, therefore, the general trend may not be in the direction of biological degeneration. It is a matter most urgently in need of further inquiry, because we already have evidence of large differences between different groups in their rates of contribution to the future population, and such differences are capable of causing important biological changes in a comparatively short period.

APPENDIX.

THE following abbreviations are used for some of the government and other publications quoted:

C.G.	Census of England and Wales,	General Tables.
C.R.	"	"
C.H.	"	"
C.I.	"	"
C.O.	"	"
C.S.	"	Scotland.
S.R.	Registrar-General's Statistical Review of England and Wales.	
R.G.S.	Registrar-General's Annual Report for Scotland.	
S.A.	Statistical Abstract for the United Kingdom.	
L.S.	Abstract of Labour Statistics.	
L.G.	Ministry of Labour Gazette.	
Ed. . .	Education in . . . (given year).	
Ed. R.	Report of Board of Education.	
Ed. S.	Statistics of Public Education.	
Ed. H.	Health of the School Child.	
Min. H.	Report of the Ministry of Health.	
Min. L.	Report of the Ministry of Labour.	
M.R.C.	Medical Research Council.	
O.S.	Ministry of Health Report on the Overcrowding Survey in England and Wales.	
U.G.C.	Report of the University Grants Committee.	
T.U.C.	Report of Trades Union Congress.	
J.R.S.S.	Journal of the Royal Statistical Society.	
Econ. Jnl.	"	"
	"	Economic
	"	"

Note. The numbers refer to pages in the volumes quoted. Dates refer to the periods to which the volumes apply, unless put in brackets, when they are the dates of publication. Census references throughout relate to 1931 unless otherwise stated. The figures are frequently compiled, not directly quoted, from the sources indicated.

CHAPTER I

- (1) C.G. 1921, I; C.S. 1921, vol. ii, v; C.G. 1; C.S. vol. ii, 1.
- (2) 78th S.A. 5; S.R. 1935, pt. i, 1; R.G.S. 1935, viii.
- (3) C.G. 1.
- (4) C.G. 125.
- (5) C.G. 159.
- (6) S.A. 14, 15.

- (7) Ed. R. 1918-19, 95.
- (8) C.R. 1921, 81; C.G. 141, 154.
- (9) C.G. 141.
- (10) S.R. 1933, II. 6.
- (11) C.G. 153.
- (12) S.R. 1933, II. 64, 65.
- (13) C.G. 155.
- (14) C.H. XIV.
- (15) C.G. 1921, 82.
- (16) C.G. 112.
- (17) C.G. 1921, 85; C.H. XIV and 33.

CHAPTER II

- (1) C.G. 1921, 82.
- (2) C.G. 112.
- (3) C.G. 1921, 82; C.H. 3.
- (4) C.H. xxiii.
- (5) C.H. 41, 44.
- (6) C.H. 20.
- (7) C.H. 33.
- (8) C.S. 1921, vol. ii, xxxviii.
- (9) C.S. vol. ii, xli, xlii.
- (10) C.S. vol. ii, 163.
- (11) C.S. vol. ii, 182, 183.
- (12) Ministry of Health, Housing Act (1935), Memorandum B, 4.
- (13) O.S. 1936, x, xiii.
- (14) Ibid., xv.
- (15) Ibid., xii.
- (16) *Housing of the Nation*, Fremantle (1927), 24.
- (17) C.R. 1921, 37; C.H. xii, xiii, 33.

CHAPTER III

- (1) C.G. 3.
- (2) C.G. 12.
- (3) C.G. 9, 87.
- (4) C.G. vii.
- (5) C.G. 5.
- (6) C.O. 660, 661.
- (7) C.G. 3, 4.

CHAPTER IV

- (1) C.I. 1921, T. 1; C.I. 714-19.
- (2) Cen. 1911, vol. x, i, xlv; C.I. 712.
- (3) L.G. Dec. 1935, 458, 459.
- (4) C.I. T. 6, D.

CHAPTER V

- (1) C.O. 1921, T. 1; C.O., T.G.
- (2) C.O. T. 1, G.
- (3) C.O. 10, 11.
- (4) By letter from Mr. George Darling.
- (5) C.I. 9, 10.
- (6) C.O. 11, 679.
- (7) M.R.C. Report 33.
- (8) C.O. 62, 673, 680.

CHAPTER VI

- (1) C.O. 1.
- (2) *The National Income*, 1924, Bowley and Stamp (1927), 12.
- (3) C.I. 310-19.
- (4) C.O. 1921, 18, 19; C.O. 12.
- (5) S.A. 69th No., 258-61; 76th No., 48-51.
- (6) *Labour and Life of the People*, Booth (1889), vol. i, 33.
- (7) Cen. 1911, vol. xiii, pt. ii, lxxvi.

CHAPTER VII

- (1) L.G. Oct. 1936, 357.
- (2) 21st L.S. 4.
- (3) L.G. Nov. 1926, 398.
- (4) T.U.C. 1936, 10-50.

CHAPTER VIII

- (1) *C. of E. Year Book* (1937), 332, 685.
- (2) *Whitaker's Almanack* (1936), 414.
- (3) " " (1937), 425.
- (4) Report of 36th Annual Conference of Labour Party, 1936, 60.
- (5) *The Alliance Year Book for 1936*, 162.
- (6) " " " 82, 83.

APPENDIX

CHAPTER IX

- (1) *The National Income, 1924*, Bowley and Stamp (1927), 39.
- (2) *Wealth and Taxable Capacity*, Stamp (1922), 40.
- (3) J.R.S.S. (Dec. 1910).
- (4) See (1), Ch. V.
- (5) See (1), 47.
- (6) See (1), 58.
- (7) *The National Income, 1924-1931*. (Certain figures in the book were criticized when this first edition was published. For the main criticism, and Mr. Clark's reply to it, see J.R.S.S., 1933, pts. i and iv, and *Econ. Jnl.*, June 1933.)
- (8) *The Economic Position of Great Britain*, Memo. No. 60 of the Royal Economic Society.
- (9) Based on figures due to Mr. Colin Clark in the *Econ. Jnl.*, Sept. 1934, and *Industrial Britain*, June 1936.
- (10) See (1), 57, 58.
- (11) See (1), 31.
- (12) J.R.S.S. 1935, pt. iv.
- (13) L.G. Jan. 1936, 2.
- (14) 69th and 78th Reports of the Commissioners of H.M. Inland Revenue.
- (15) S.A. 79th No., 200, 201.
- (16) *The Change in the Distribution of the National Income, 1880-1913*, Bowley (1920), 22.
- (17) See (1), 49, 50.
- (18) *Econ. Jnl.*, March 1934, Sept. 1935.
- (19) See (2), 94.

CHAPTER X

- (1) J.R.S.S. 1931, pt. i, 1-30.
- (2) *British Incomes and Property*, Stamp (1922), 379.
- (3) *The Economics of Inheritance*, Wedgwood (1929).
- (4) See (1), 22.
- (5) *Wealth and Taxable Capacity*, Stamp (1922), 101-2.
- (6) S.A., 70th No., 5, and L.S. 18th No., 3.
- (7) *The Distribution of National Capital*, Daniels and Campion (1936).
- (8) *Ibid.*, 30, 51.
- (9) *Ibid.*, 59.

CHAPTER XI

- (1) C.G. 125.
- (2) Ed. 1931, 90, 124, 149, 150; U.G.C. 1934, 35, 53.

- (3) Ed. 1931, 90.
- (4) " 90, 124.
- (5) Ed. 1935, 38.
- (6) " 113.
- (7) " 120, 121.
- (8) Ed. S. 1922-3, 11-12.
- (9) Ed. S. 1924-5, 11-12.
- (10) See (6), 46.
- (11) Ed. 1934, 18, 19.
- (12) " 204.
- (13) " 226, 227.
- (14) " 159.
- (15) " 21, 22, 159.
- (16) See (15), also Ed. 1929, 108.
- (17) See (11), 68, 190.
- (18) U.G.C. 1929-30 to 1930-5, 55, 77.
- (19) Ed. 1935, 172-83.
- (20) " 198.

CHAPTER XII

- (1) Ed. 1935, 120, 163, 172.
- (2) Report of Committee on Education and Industry (1926), 82-3.
- (3) Factors in Industrial and Commercial Efficiency (1927), 136.
- (4) See (2) 87.
- (5) Min. L. 1935, 41.
- (6) Ministry of Labour Report on Juvenile Employment, 1934, 5.
- (7) " " " 1935, 3.
- (8) " " " 1934, 10.
- (9) L.G. Sept. 1936, 322.
- (10) J.R.S.S., May, 1913.
- (11) Welsh Studies in Agricultural Economics, No. 3 (1926).
- (12) Econ. Jnl., vol. 39, 554-65.
- (13) " vol. 41, 227-40.
- (14) " vol. 41, 240.
- (15) J.R.S.S., Feb., 1912.

CHAPTER XIII

- (1) *Public Social Services* (1935), 7.
- (2) Ed. 1924, 5, 6, and 15.
- (3) Ed. H. 1934, 132.
- (4) " 138.

- (5) Ed. H. 1934, 133.
- (6) " 134, 139.
- (7) See (3), 143; Ed. 1934, 210.
- (8) See (3), 146.
- (9) Report of Royal Commission on National Health Insurance (1926), 7.
- (10) Widows', Orphans' and Old Age Contributory Pensions Act, 1925.
- (11) S.A. 79th No., 81.
- (12) See (1), 8, 9, 12.
- (13) Min. H. 1935-6, 283.
- (14) See (9), 16, 299.
- (15) Min. L. 1935, 1.
- (16) L.S. 21, 63.
- (17) These figures were kindly supplied by Mr. E. C. Ramsbottom, Director of Statistics in the Ministry of Labour.
- (18) Committee on Industry and Trade: *Survey of Industrial Relations* (1926), 164-6.
- (19) *Ibid.*, 336.
- (20) *Ibid.*, 39.
- (21) *On the State of the Public Health*, 1933, 14.
- (22) Based on figures supplied by the Director of Statistics, Ministry of Labour.
- (23) L.G. May, 1936, 161.
- (24) Min. L. 1935, 81, 127.
- (25) This is the number who have taken out insurance books according to the Report of the Statutory Committee.
- (26) S.A. 79th No., 34.

CHAPTER XIV

- (1) *Public Social Services* (1936), 6, 7.
- (2) J.R.S.S., 1927, pt. iv, pp. 685-728.
- (3) See Ch. IX (7), 32-3.
- (4) *Econ. Jnl.*, March, 1927, 1-18.

CHAPTER XV

- (1) S.A. 70th No., 184-8; 79th No., 244-50.
- (2) Report of Chief Registrar of Friendly Societies, Pt. A. General, 1914, 74; Pt. I. General, 1925, 45-6; 1934, 34.
- (3) Report of Industrial Assurance Commissioner, 1925, 129; 1934, 69.

- (4) S.A. 70th No., 191; 79th No., 253.
- (5) S.A. 70th No., 189-90; 79th No., 251-2.
- (6) S.A. 70th No., 87; 79th No., 133.
- (7) J.R.S.S. 1935, 350.
- (8) S.R. 1934, pt. ii, 2, 3.
- (9) Report of Departmental Committee on Industrial Assurance Companies and Collecting Societies (1920), 2.
- (10) See (3), 1934, 68.
- (11) See (9), 2-3.
- (12) " 3-4, 10.
- (13) See (3), 1934, 48.
- (14) " 1934, 52, 53, 60, 68, 69.
- (15) " 1928, 156-7.
- (16) S.A. 79th No., 259.
- (17) See (2), 1933, pt. 2, 34-5.
- (18) " 1933, pt. 3, 30-1.

CHAPTER XVI

- (1) 82nd Report of the Charities Commissioners for 1934, 5-6, 10.
- (2) *Voluntary Hospitals Year Book* (1936), 62-5.
- (3) " " " xli.
- (4) Report of the Commissioner of Police for the Metropolis (1935), 63.

CHAPTER XVII

- (1) *Labour and Life of the People*, Booth (1889), vol. i, 3-5.
- (2) " " " vol. ii, 20-1.
- (3) " " " vol. i, 33.
- (4) *Poverty—A Study of Town Life*, Rowntree (1908), 86-7.
- (5) " " " 110.
- (6) " " " 111, 117.
- (7) *Livelihood and Poverty*, Bowley and Burnett-Hurst (1915), 11.
- (8) *Ibid.*, 80.
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CHAPTER XIX

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